

October 1, 1998

Bureau of Land Management 170 South 500 East Vernal, UT 84078

Attention: Minerals

This letter is to inform you that Permitco Inc. is authorized to act as Agent and to sign documents on behalf of Rosewood Resources, Inc. when necessary for filing county, state and federal permits including Onshore Order No. 1, Right of Way applications, etc., for the Federal H #34-30 well, located SW SE Sec. 30, T105 - R24E

I should be understood that Permitco is acting as Agent only in those matters stated above and is not responsible for drilling, completion, production or compliance with regulations.

Rosewood Resources, Inc. agrees to accept full responsibility for operations conducted in order to drill, complete and produce the above mentioned well. If you have any questions, please feel free to contact me at (435) 789-0414.

Sincerely,

Danny Widner Drilling Manager

DW/ln



14421 Weld County Rd.10 • Ft. Lupton, Colorado 80621 • (303) 857-9999 • FAX (303) 857-0577 • E-MAIL Permitco 1@aol.com

November 25, 1998

Utah Division of Oil, Gas & Mining 1594 West North Temple, Suite 1210 Box 145801 Salt Lake City, UT 84114-5801

Attn: John Baza

NOV 27 1998

DIV. OF OIL, GAS & MINING

Re: Rosewood Resources, Inc.

Federal H #34-30

592' FSL and 2089' FEL SW SE Sec. 30, T10S - R24E

Uintah County, Utah

Dear John,

Enclosed please find three copies of the Application for Permit to Drill on the above mentioned well along with one copy of the drilling program and surface use plan which has been filed with the BLM in Vernal, Utah.

Please forward the approved copies Lucy Nemec of Rosewood Resources, Inc., P.O. Box 1668, Vernal, UT 84078. Thanks for your assistance in this matter. If you have any questions, please don't hesitate to contact me.

Sincerely,

PERMITCO INC.

Lisa L. Smith Consultant for:

Rosewood Resources, Inc.

Enc.

cc: Rosewood Resources, Inc. - Vernal, UT

Rosewood Resources, Inc. - Dallas, TX

SUBMIT IN TRIPLICATE*

(Other instructions on revers

Form approved.

LEASE DESIGNATION AND SERIAL NO.

Budget Bureau No. 1004-0136 Expires December 31, 1991

U. ED STATES DEPARTMENT OF THE INTERIOF
DEPARTMENT OF THE INTERIOF
BUREAU OF LAND MANAGEMENT

BUREAU OF LAND MANAGEMENT					UTU-66421	
APPLICA			EPEN, OR PLUG I	BACK	6. IF INDIAN, ALLOTTEE OR TRI	BE NAME
a. TYPE OF WORK	DRILL X	DEEPEN			7. UNIT AGREEMENT NAME	
b. TYPE OF WELL OIL	GASIT	OTHER	SINGLE X	MULTIPLE	N/A Hytelog 8. FARM OR LEASE NAME, WELL	
WELL	GAS X Phone:		265 East 100 South	ZONE	Federal H	
Rosewood Resou	rces, Inc. Fax:	435/789-0497	Vernal, UT 84078		9. API WELL NO.	
3. ADDRESS AND TELEPHON		303/857-9999	14421 Weld County	y Road 10	#34-30	
PERMITCO INC	C. Fax:	303/857-0577	Ft. Lupton, CO 80	621	10. FIELD AND POOL, OR WILD	\]
4. LOCATION OF WELL (Report location clearly and in ac	cordance with any State requirer	ments.*)		Wildest Netwa	1 Duffes
At Surface	1 17 M	649238.33	9		 SEC., T., R., M., OR BLK. AND SURVEY OR AREA 	
592' FSL and 2	089' FEL 631	4410490.63	?			
At proposed prod. zone SW SE Sec. 30, T10S - R24E					Sec. 30, T10S - R2	
14. DISTANCE IN MILES AND	DIRECTION FROM NEAREST TO	WN OR POST OFFICE*			12. COUNTY OR PARISH	13. STATE
Approximately 2	5.4 miles south of O	uray, Utah			Uintah NO. OF ACRES ASSIGNED	Utah
DISTANCE FROM PRO	OPOSED*		16. NO. OF ACRES IN LEA	ASE 17.	TO THIS WELL	
LOCATION TO NEAR PROPERTY OR LEASI (Also to nearest drlg. un	E LINE, FT.	554'	2240 Ac		40 Acres	
18 DISTANCE FROM PRO	OPOSED LOCATION *		19. PROPOSED DEPTH	20.	ROTARY OR CABLE TOOLS	
TO NEAREST WELL. OR APPLIED FOR, ON	DRILLING, COMPLETED. THIS LEASE, FT.	None	7,100)	Rotary	
21. ELEVATIONS (Show wheth	er DF, RT, GR, etc.)				22. APPROX. DATE WORK WIL	
5,313' ungrade	d				Upon App	rovai
23.		PROPOSED C	ASING AND CEMENTING PR	OGRAM		
SIZE OF HOLE	GRADE, SIZE OF CASIN	G WEIGHT PER	FOOT SETTING		QUANTITY OF CEM	
17-1/4''	13-3/8"	61#	3	300' 36	60 sx to circulate surfa	ce
12-1/4"	9-5/8''	36#	2,5	00' 69	00 sx top of cmt @ sur	face
7-7/8"	4-1/2''	11.6#	7,1	00' 90	00 sx - top of cmt @ 24	100'

Rosewood Resources, Inc. proposes to drill a well to 7,100' to test the Wasatch and Mesa Verda Formations. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements. CONFIDENTIAL - TIGHT HOLE

See Onshore Order No. 1 attached.

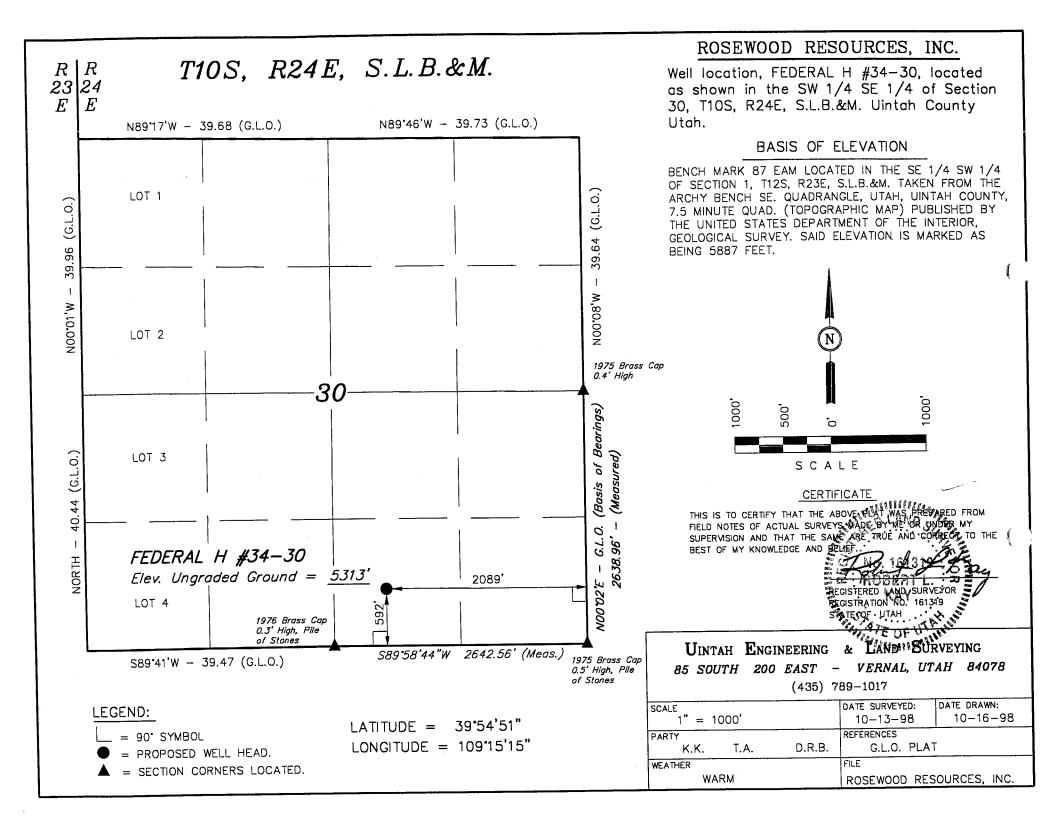
Please be advised that Rosewood Resources, Inc. is considered to be the Operator of the above mentioned well. Rosewood Resources, Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Nationwide Bond No. MT-0627. The principal is Rosewood Resources, Inc. via surety consent as provided for in 43 CFR 3104.2.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or

deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths.	Give blowout preventer program, if any.	
24. SIGNED LIGHT SMITH TITLE	Consultant For:	Date 11/25/98
This space for Federal or State office use 42 042 33 7/03	APPROVAL DATE	ECEIVEII
Application approval does not warrant or certificationatine applicant holds legal or equitable title to those rights in to CONDITIONS OF APPROVAL IF ANY:	he subject lease which would entitle the applicant to continue peral	ons thereon. NOV 27 1998
Action is Necessary	3 1 1 2 1 2 1 2 1	OF AN SASS MINING
R	ECLAMATION SPECIALIST III DIV On Reverse Side	.01 0/2/1

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



ONSHORE OIL & GAS ORDER NO. 1

Approval of Operations on Onshore Federal and Indian Oil & Gas Leases

> **FEDERAL H #34-30** 592' FSL and 2089' FEL SW SE Sec. 30, T10S - R24E Uintah County, Utah

Prepared For:

ROSEWOOD RESOURCES, INC.

By:

CONTROL OF THE SHIP OF THE SHI PERMITCO INC. 14421 Weld County Road 10 Ft. Lupton, Colorado 80621 303/857-9999

Copies Sent To:

- 3 Bureau of Land Management Vernal, UT
- 1 Utah Division of Oil, Gas & Mining Salt Lake City, UT
- 3 Rosewood Resources, Inc. Vernal, UT
- 3 Rosewood Resources, Inc. Dallas, TX



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Lease No. UTU-66421

DRILLING PROGRAM

Page 1

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal and Indian Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. <u>Formation Tops</u>

Formation	<u>Depth</u>	<u>Subsea</u>
Green River	Surface	+5,984'
Wasatch	2,580'	+3,404'
Mesa Verde	4,480'	+1,504'
Mancos	6,300'	- 316'
T.D.	7,100'	-1,116'

2. Anticipated Depths of Oil, Gas, Water or Mineral Formations

Substance	Formation	<u>Depth</u>
Oil/Gas	Wasatch	2,580'-4,480'
Oil/Gas	Mesa Verde	4,480'-6,300'
Oil/Gas	Mancos	6,300'-7,100'

All fresh water prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.



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DRILLING PROGRAM

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3. Blow Out Preventor Requirements/Equipment

Rosewood's minimum specifications for pressure control equipment are as follows:

Ram Type: 10" Hydraulic double with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30-day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.



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DRILLING PROGRAM
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A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 10", 3000 psi working pressure blowout preventor.
- b. A choke line and a kill line are to be properly installed. The kill line is <u>not</u> to be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit <u>all</u> tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.



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4. Proposed Casing and Cementing Program

- a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.
- b. Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).
- c. Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data)
- d. Casing collars shall have a minimum clearance of 0.422 inches of all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.
- e. All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.
- f. All casing except the conductor casing, shall be new or reconditioned and tested used casing that meets or exceeds API standards for new casing.
- g. The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.
- h. All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested. whichever occurs first.



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ONSHORE ORDER NC.
Rosewood Resources, Inc.
Federal H #34-30
592' FSL and 2089' FEL
SW SE Sec. 30, T10S - R24E
Uintah County, Utah

Lease No. UTU-66421

DRILLING PROGRAM

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- i. Three centralizers will be run on the bottom three joints of surface casing with a minimum of one centralizer per joint starting with the shoe joint.
- j. Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc. shall be utilized to help isolate the cement from contamination by the mud fluid being displaced ahead of the cement slurry.
- k. All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or 1500 psi, whichever is greater, but not to exceed 70 percent of the minimum internal yield. If pressure declines more than 10 percent in 30 minutes, corrective action shall be taken.
- 1. On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- m. The proposed casing program will be as follows:

<u>Purpose</u>	Depth	Hole Size	O.D.	Weight	<u>Grade</u>	Type	New or Used
Surface	0-300'	17-1/4''	13-3/8"	61#	J/K-55	ST&C	New
Intermed.	0-2,500'	12-1/4''	9-5/8''	36#	J-55	LT&C	New
Produc.	0-7,100'	7-7/8**	4-1/2"	11.6#	N-80	LT&C	New

- n. Casing design subject to revision based on geologic conditions encountered.
- o. The cement program will be as follows:

Surface	Type and Amount
0-300'	360 sx Class "G" with 2% CaCl & .25#/sk Cello-Flake, or
	sufficient to circulate to surface.



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DRILLING PROGRAM

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Intermediate

Type and Amount

0-2,500

Lead: 475 sx Premium Light +1% Econolite + 0.25#/sx

Flocele +3% /salt

Tail: 215 sx Premium +2% CaCl + 0.25#/sx Flocele. Top

of cement estimated to be at surface.

Production 0-7.100'

Type and Amount

900 sx Class "G" + .3% CFR-3 + .25#/sk Flocele + .5%

Halad 9 + 2% Gel + 2% Microbond. The estimated top of

the Cement is 2400'.

Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

- After cementing but before commencing any test, the casing string shall stand q. cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- The following reports shall be filed with the District Manager within 30 days r. after the work is completed.
 - Progress reports, Form 3160-5 (formerly 9-331) "Sundry Notices and 1. Reports on Wells", must include complete information concerning:
 - Setting of each string of casing, showing the size, grade, weight of a. casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - Temperature or bond logs must be submitted for each well where b. the casing cement was not circulated to the surface.



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DRILLING PROGRAM
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- s. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. No bit float is deemed necessary.
 - 3. A sub with a full opening valve.

5. Mud Program

a. The proposed circulating mediums to be employed in drilling are as follows:

<u>Interval</u>	Mud Type	Mud Wt.	Visc.	<u>F/L</u>	<u>PH</u>
0-500'	Air/Air Mist				
500-2,500'	Clear Water	8.4			
2,500'-TD	Gel Mud	8.4-9.8	35-45	8-10	9

There will be sufficient mud on location to control a blowout should one occur.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment to be used is as follows:
 - 1. Periodic checks will be made each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.
- e. The use of materials under BLM jurisdiction will conform to 43 CFR 36

CONL ENTIAL - TIGHT HOLE

ONSHORE ORDER NC Rosewood Resources, Inc. Federal H #34-30 592' FSL and 2089' FEL SW SE Sec. 30, T10S - R24E Uintah County, Utah

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DRILLING PROGRAM
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6. Evaluation Program - Testing. Logging and Coring

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stem tests are anticipated, however, if DST's are run, the following requirements will be adhered to:

Initial opening of drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DSTs may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided some means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of the following logs: An array Induction log and DCL, CNL, ML will be run from T.D. to 500'.
- c. Selected sidewall cores will be run in the Mesa Verde and Wasatch formations.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description and all other surveys or data obtained and compiled during the

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DRILLING PROGRAM

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drilling, workover, and/or completion operations, will be filed with form 3160-4. Samples (cutting, fluids, and/or gases will be submitted when requested by the authorized officer (AO).

- The anticipated completion program will be to test prospective zones in Mesa e. Verde and Wasatch Formations by perforating and fracture stimulation.
- Daily drilling and completion progress reports shall be submitted to the BLM f. in Vernal on a weekly basis.

Abnormal Pressures and H,S Gas 7.

- The expected bottom hole pressure is 3000 psi. a.
- No hydrogen sulfide gas is anticipated and no abnormal pressures or b. temperatures are anticipated.

Anticipated Starting Dates and Notification Requirements 8.

- Drilling will commence upon approval. a.
- It is anticipated that the drilling of this well will take approximately 7-10 days. b.
- The BLM in Vernal, Utah shall be notified of anticipated date of location c. construction commencement and of anticipated spud date.
- No location will be constructed or moved, no well will be plugged, and no d. drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.



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ONSHORE ORDER NC-Rosewood Resources, Inc.
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DRILLING PROGRAM

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- e. The spud date will be reported orally to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, UT 84078.
- g. <u>Immediate Report:</u> Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communications, not later than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day or authorized test period.



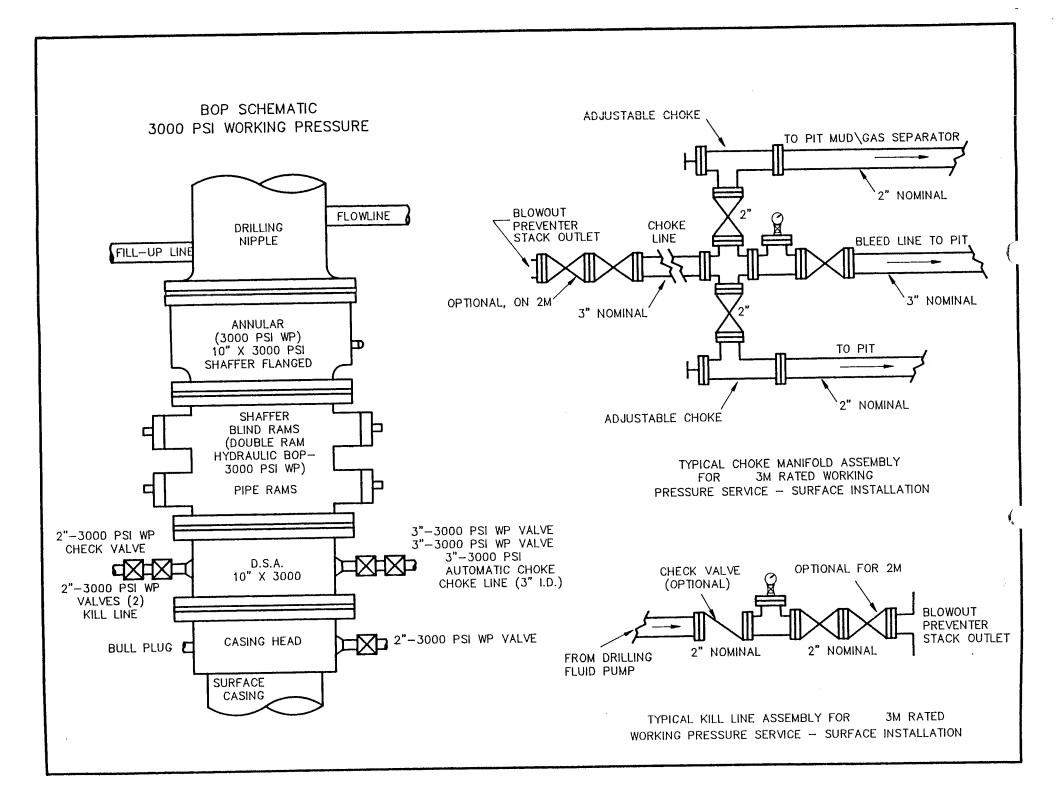
CONF. ENTIAL - TIGHT HOLE

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- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the appropriate District Office within sixty (60) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).
- m. A first production conference will be scheduled within 15 days after receipt of the first production notice.
- n. No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the SO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.
- o. Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to operations on Federal or Indian lands.





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SURFACE USE PLAN

Page 1

ONSHORE OIL & GAS ORDER NO. 1

NOTIFICATION REQUIREMENTS

Location Construction -

forty-eight (48) hours prior to construction of location and

access roads.

Location Completion -

prior to moving on the drilling rig.

Spud Notice

at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing

twenty-four (24) hours prior to running casing and

g ce

cementing all casing strings.

BOP and Related

twenty-four (24) hours prior to initiating pressure tests.

Equipment Tests

First Production

Notice

within five (5) business days after new well begins or

production resumes after well has been off production for

more than ninety (90) days.

The onsite inspection for the subject wellsite was conducted on Thursday, November 12, 1998 at approximately 2:15 a.m. Weather conditions were cool and cloudy. In attendance at the onsite inspection were the following individuals:

Lisa Smith Robert Kay Byron Tolman Steve Strong Danny Widner Permitco Inc.

Uintah Engineering and Land Surveying

Bureau of Land Management Bureau of Land Management Rosewood Resources, Inc.

1. Existing Roads

a. The proposed well site is located approximately 25.4 miles south of Bonanza, Utah.



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SURFACE USE PLAN Page 2

b. Directions to the location from Bonanza, Utah are as follows:

From Bonanza proceed southerly on the Rainbow Road for 15.7 miles. At Rainbow, turn right and proceed westerly for 5.6 miles. Turn north on the Asphalt Wash Road and proceed northerly for 3.0 miles. Turn right onto an existing road and proceed southeasterly for 0.9 miles. Turn right onto the new access road and proceed southerly for 0.15 miles to the location.

- c. For location of access roads within a 2-Mile radius, see Maps A & B.
- d. Improvement to the existing roads will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. Planned Access Roads

- a. The last .15 miles of road will be constructed to BLM Class III standards.
- b. The maximum grade of the upgrade construction will be approximately 6%.
- c. No turnouts are planned.
- d. No low water crossings will be necessary. There are no major cuts and fills. No culverts and/or bridges will be required.
- e. The last 0.15 miles of access road was centerline flagged at the time of staking.



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SURFACE USE PLAN

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- The use of surfacing material is not anticipated, however it may be f. necessary depending on weather conditions.
- No cattleguards will be necessary at this time. g.
- Surface disturbance and vehicular travel will be limited to the approved h. location and approved access route. Any additional area needed will be approved in advance.
- Access roads and surface disturbing activities will conform to standards i. outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).
- The road will be constructed/upgraded to meet the standards of the j. anticipated traffic flow and all weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowing and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.
- If the well is productive, additional water drainage will be installed along k. the new portion of access road to keep the water off the road.
- No chemicals subject to reporting under SARA Title III in an amount l. equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.



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m. A road right of way will not be required since all new access is located within Lease No. UTU-66421.

3. Location of Existing Wells Within a 1-Mile Radius of the Proposed Location.

- a. Water wells none
- b. Injection wells none
- c. Producing wells none
- d. Drilling wells none
- e. Shut-in wells none
- f. Temporarily abandoned wells none
- g. Disposal wells -none
- h. Abandoned wells none
- i. Dry Holes none

4. Location of Tank Batteries and Production Facilities.

- a. All permanent structures (onsite for six months or longer) constructed or installed (including oil well pump jacks) will be painted Juniper Green. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.
- b. If storage facilities/tank batteries are constructed on this lease, the facility/battery or the wellpad shall surrounded by a containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.



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- c. A typical production layout is attached. If at the time of production it is determined that an alternate layout is necessary, a Sundry Notice will be submitted showing placement of all production facilities prior to construction.
- d. All loading lines will be placed inside the berm surrounding the tank battery.
- e. Gas meter runs for each well will be located within 500 feet of the wellhead. The gas flowline will be buried or anchored down from the wellhead to the meter and 500 feet downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.
- f. The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil and Gas Order No. 4 for liquid hydrocarbons and Onshore Oil and Gas Order No. 5 for natural gas measurement.
- g. If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.
- h. Any necessary pits will be properly fenced to prevent any wildlife entry.
- i. All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.



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- j. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the District Manager.
- k. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic.
- 1. The road will be maintained in a safe useable condition.
- m. The surface pipeline will be 4" welded steel and will be approximately 3,200 feet in length. The pipeline route is shown on Map "C". A portion of the pipeline will be located outside of Lease No. UTU-66421. A request is made for a pipeline right of way. A check in the amount of \$325.00 is enclosed to cover the pipeline fees.

5. Location and Type of Water Supply

- a. The proposed water source is the Rock House #5A which is located T11S R23E. Permit No. #49-1547.
- b. Water will be hauled to location over the access roads shown on Maps A and B.
- c. No water well will be drilled on this lease.

6. Source of Construction Material

- a. Surface and subsoil materials in the immediate area will be utilized.
- b. Any gravel used will be obtained from a commercial source.
- c. The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.
- d. No construction materials will be removed from Federal land.



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7. Methods of Handling Waste Disposal

- a. The reserve pit will be constructed so as not to leak, break, or allow discharge.
- b. At the request of the BLM, the reserve pit will be lined. If it is necessary to blast the pit area during construction, an inspection of the pit will be made by a representative of the BLM with a representative of Rosewood Resources, Inc. and it will be determined if a reserve pit liner is necessary. If fractured rock is encountered, the pit will be first lined with sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.
- c. Burning will not be allowed. All trash will be contained in a trash cage and its contents removed at the end of drilling operations and hauled to an approved disposal sight.
- d. After first production, produced waste water will be confined to a unlined pit or storage tank for a period not to exceed ninety (90) days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.
- g. A chemical porta-toilet will be furnished with the drilling rig.
- h. The produced fluids will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas salt water or other produced fluids will be cleaned up and removed.



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SURFACE USE PLAN

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8. Ancillary Facilities

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. Well Site Layout

- a. The operator or his/her contractor shall contact the BLM Office at 435/789-1362 forty-eight (48) hours prior to construction activities.
- b. The reserve pit will be located on the southwest side of the location.
- c. The flare pit will be located downwind of the prevailing wind direction on the west side, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. The stockpiled topsoil (first six inches) will be stored on the south end of the location as shown on the Pit & Pad Layout. Topsoil along the access route will be windrowed on the uphill side.
- e. Access to the wellpad will be from the north as shown on the Pit & Pad Layout.
- f. See Location Layout for orientation of rig, cross section of drill pad and cuts and fills.
- g. The location of mud tanks; reserve pit, trash cage; pipe racks; living facilities and soil stockpiles will be shown on the Location Layout.
- h. All pits will be fenced according to the following minimum standards:
 - 1. 39 inch net wire shall be used with at least one strand or barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).



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- 2. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42-inches.
- 3. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- 4. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- 5. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.
- i. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until cleanup.
- j. After the reserve pit is reclaimed, a diversion ditch will be constructed along the edge of reserve pit o bring drainage around the south end of the location.
- k. Trees and Slash will be stockpiled at the south end of the reserve pit.

10. Plans for Restoration of Surface

Producing Location

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash and junk not required for production.
- b. Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.



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- c. If a plastic nylon reinforced liner is used it shall be torn and perforated before backfilling of the reserve pit.
- d. The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion. Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed and all cans, barrels, pipe, etc., will be removed.
- e. Reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer.

The seed mixture requested by the BLM for reclamation of the drillsite is as follows:

Species	Lbs. PLS/Acre
Fourwing Saltbush	4
Shadscale	2
Needle and Thread	3
Black Sage	3

Seeding will be performed immediately after the location has been reclaimed and the pit has been backfilled, regardless of the time of year. Seed will be broadcast and walked in with a dozer.

f. The topsoil stockpile will be seeded as soon as the location has been constructed with the seed mix recommended above. The seed will be walked in with a cat.

Dry Hole

g. At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and BLM will attach the appropriate surface rehabilitation conditions of approval.



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SURFACE USE PLAN
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11. Surface Ownership

Access Roads - All roads are County maintained or managed by the Bureau of Land Management.

Wellpad - The well pad is located on lands managed by the BLM.

12. Other Information

- a. A Class III archeological survey has been conducted by Grand River Institute. No significant cultural resources were found and clearance has been recommended. A copy of this report will be submitted to the appropriate agencies by Grand River Institute.
- b. The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to:
 - -whether the materials appear eligible for the National Register of Historic Places;
 - -the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and
 - -a time frame for the AO to complete and expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and



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procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. The operator will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- d. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure.
- e. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.
- f. A complete copy of the approved APD shall be on location during construction of the location and drilling activities.
- g. There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended or abandoned will be identified in accordance with 43 CFR 3162.
- h. "Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.



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This permit will be valid for a period of one year from the date of i. approval. An extension period may be granted, if requested, prior to the expiration of the original approval period. After permit termination, a new application will be filed for approval for any future operations.

- The operator or his contractor shall contact the BLM Offices at j. 435/789-1362 48 hours prior to construction activities.
- The BLM Office shall be notified upon site completion prior to moving on k. the drilling rig.
- In the event after-hours approvals are necessary, please contact one of the 1. following individuals:

Ed Forsman Wayne Bankert **BLM Fax Machine** Petroleum Engineer 435/789-7077 Petroleum Engineer 435/789-4170 435/789-3634

Lessee's or Operator's Representative and Certification 13.

Permit Matters

Drilling & Completion Matters

PERMITCO INC.

ROSEWOOD RESOURCES, INC.

Lisa L. Smith

P.O. Box 1668

14421 Weld County Rd. 10 Vernal, UT 84078 Ft. Lupton, Co 80621

435/789-0414 (O)

303/857-9999

435/828-6100 (M) - Danny Widner 435/828-6438 (M) - Salty Miller

435/789-0823 (H)



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Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Rosewood Resources, Inc. and its contractors and subcontractors in conformity with the plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for the filing of a false statement.

November 25, 1998

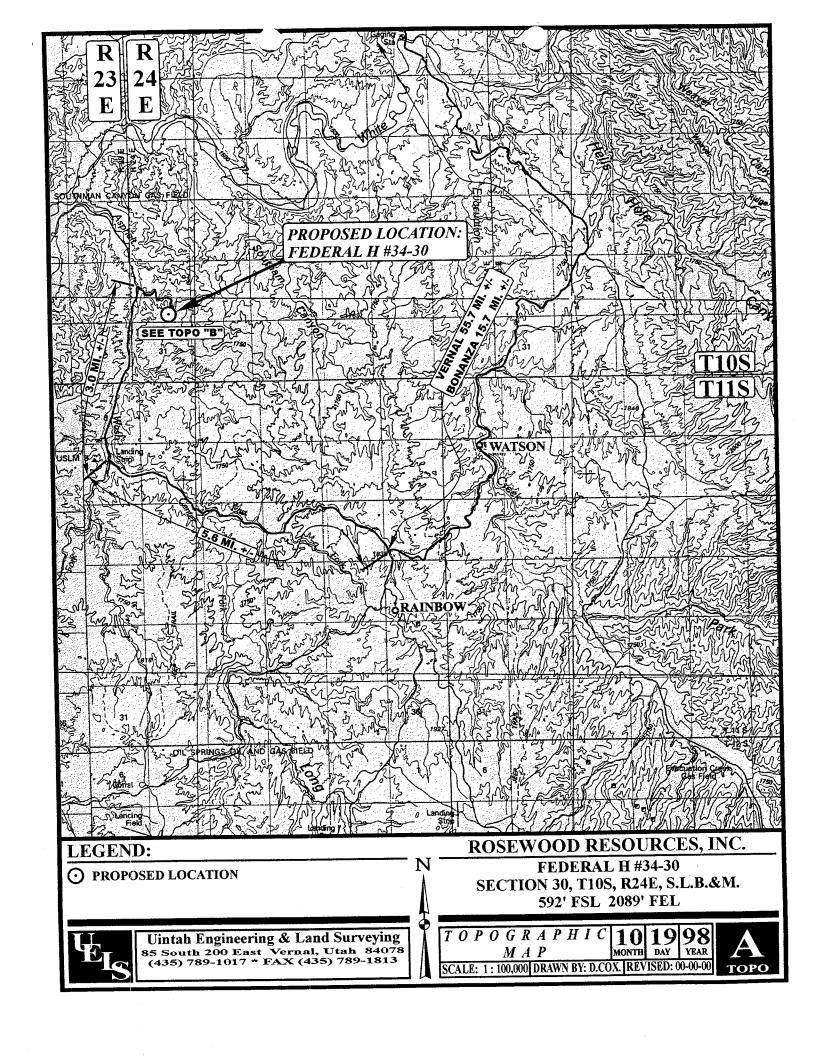
Date:

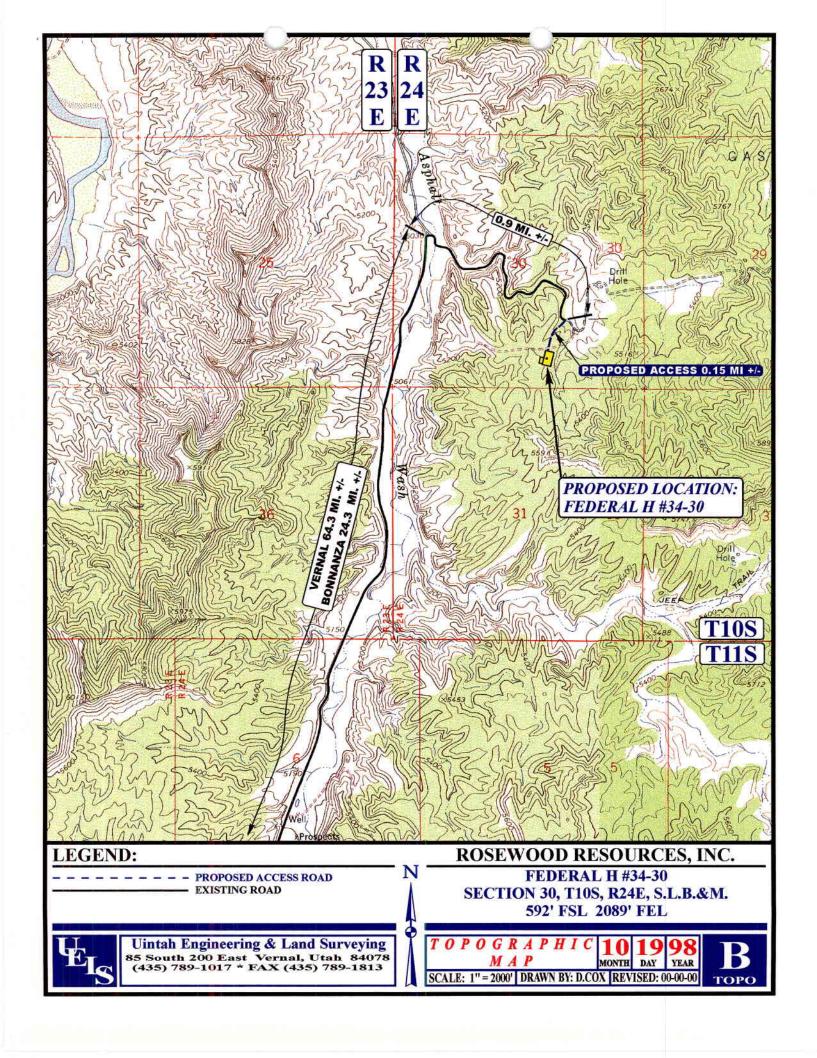
Lisa L. Smith - PERMITCO INC

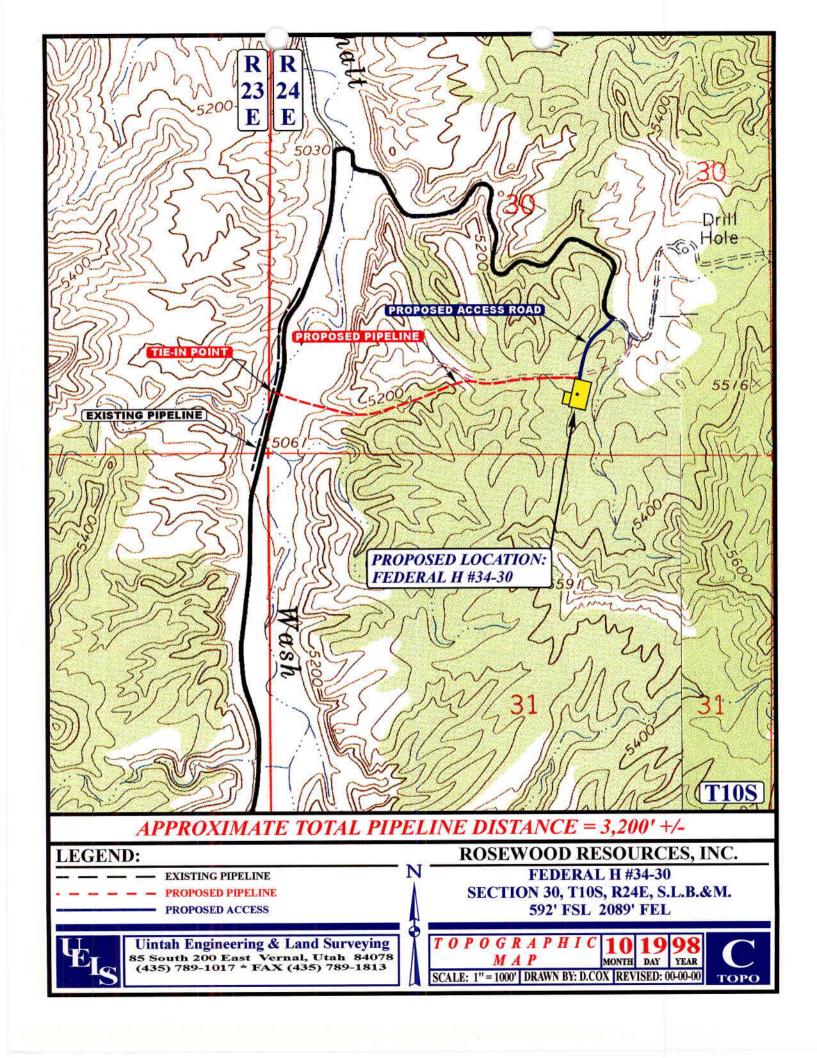
Authorized Agent for:

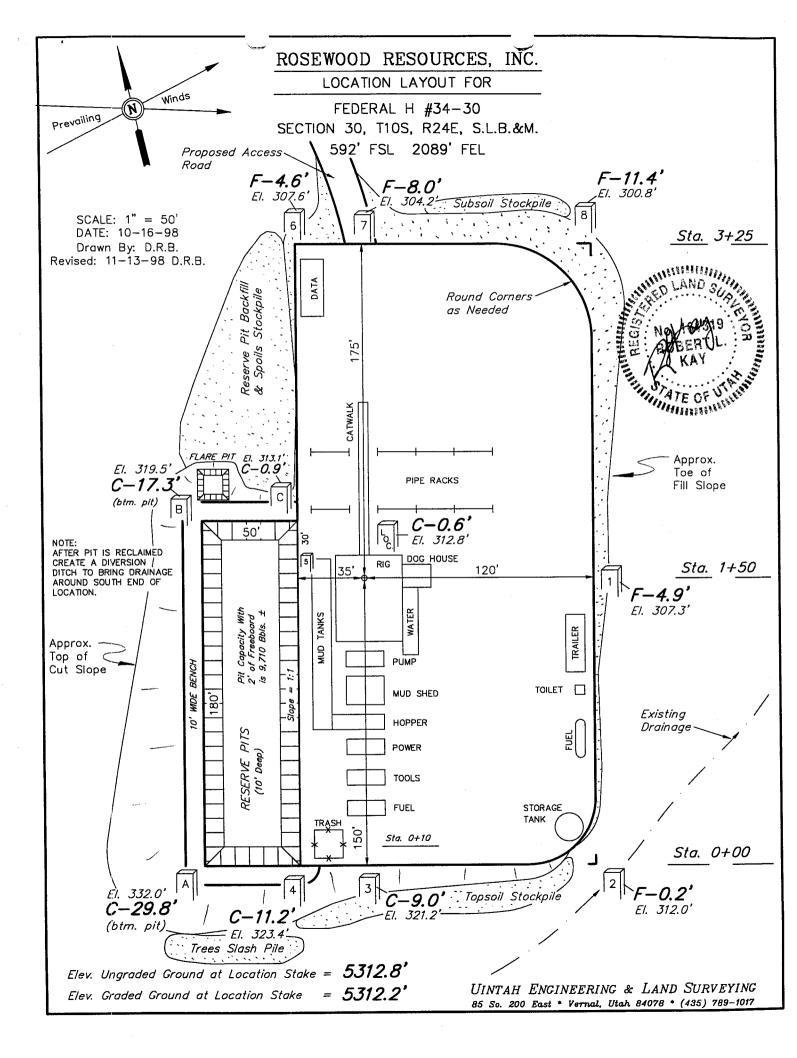
ROSEWOOD RESOURCES, INC.

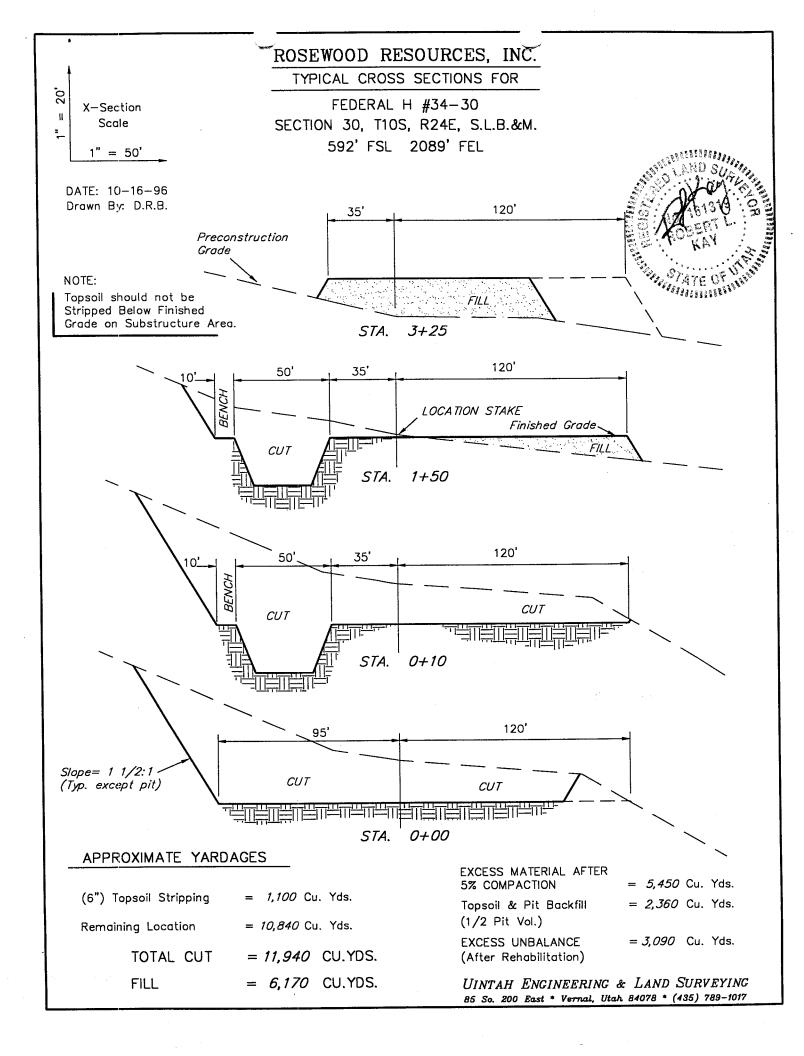






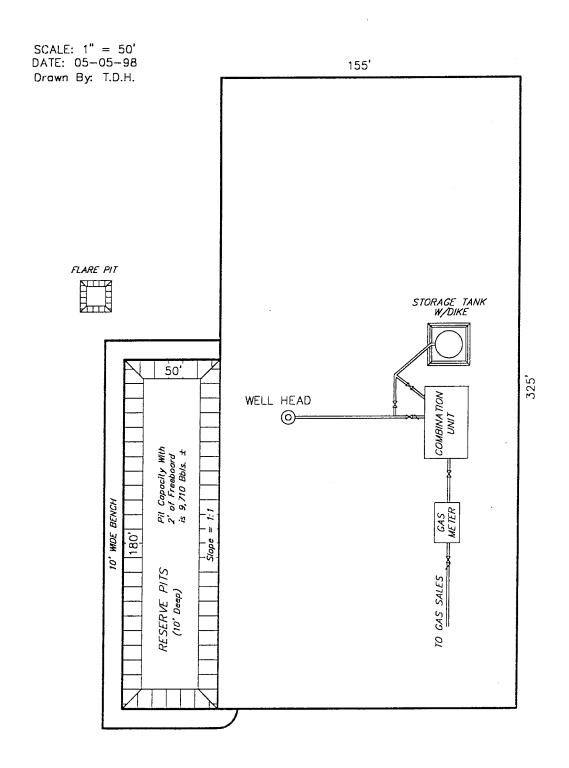






ROSEWOOD RESOURCES, I.... TYPICAL PRODUCTION FACILITY LAYOUT

Federal H #34-30 SW SE Sec. 30, T10S – R24E 592' FSL and 2089' FEL



There are no federal stipulations at this time.



A Class III Archeological Survey has been conducted by Grand River Institute. No significant cultural resources were found and clearance has been recommended. A copy of this report will be submitted directly to the appropriate agencies by Grand River Institute.



A Wastewater Permit will be filed with the Uintah Basin District Health Department by Mountain West Oilfield Services on behalf of Rosewood Resources, Inc.



WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/27/98	API NO. ASSIGNED: 43-047-33263
WELL NAME: FEDERAL H 34-30 OPERATOR: ROSEWOOD RESOURCES INC CONTACT: Lise Smith (303) 857-999	(N7510) 9
PROPOSED LOCATION: SWSE 30 - T10S - R24E SURFACE: 0592-FSL-2089-FEL BOTTOM: 0592-FSL-2089-FEL UINTAH COUNTY NATURAL BUTTES FIELD (630) LEASE TYPE: FED LEASE NUMBER: UTU-66421 SURFACE OWNER: Federal PROPOSED FORMATION: WSMVD	INSPECT LOCATION BY: // TECH REVIEW Initials Date Engineering Geology Surface
Plat Plat Bond: Federal [M State[] Fee[] (No. mT-0627) Potash (Y/N) Noil Shale (Y/N) *190-5(B) Water Permit (No. 49-1547) RDCC Review (Y/N) (Date:) NA Fee Surf Agreement (Y/N)	LOCATION AND SITING: *Contraded 5-25-200 R649-2-3. Unit
COMMENTS:	
STIPULATIONS: O FEDERAL AP	PROVAL

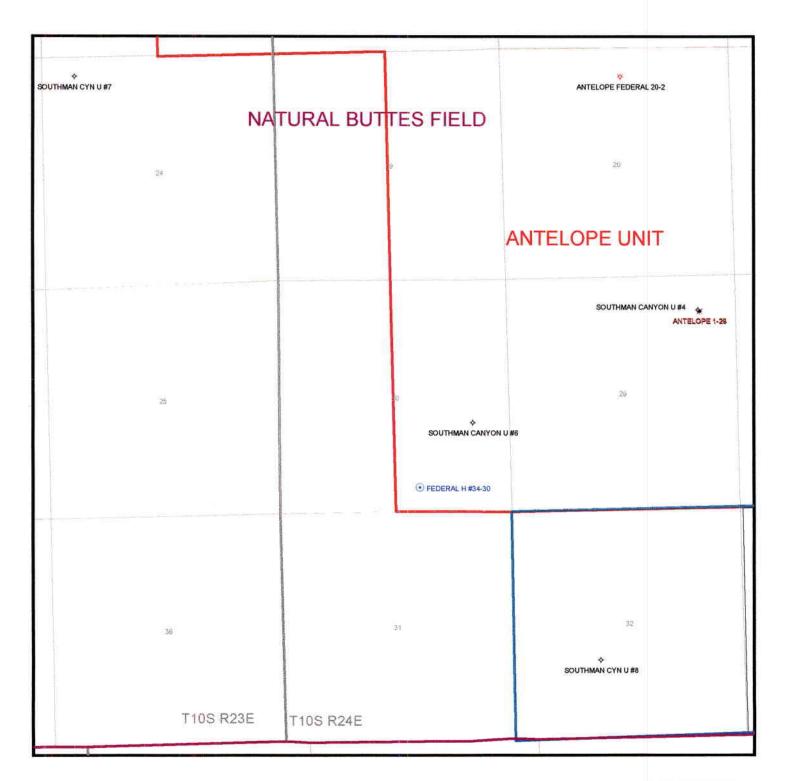


OPERATOR: ROSEWOOD RESOURCES (N7510)

FIELD: NATURAL BUTTES (630)

SEC. 30 TWP 10S, RNG 24E

COUNTY: UINTAH UNIT: ANTELOPE UNIT



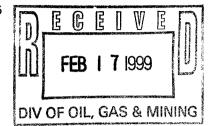
United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

<date>



Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

1999 Plan of Development Antelope Unit, Uintah County, Utah.

Pursuant to email between Lisha Cordova, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following well is planned for calendar year 1999 within the Antelope Unit, Uintah County, Utah by Rosewood Resources (Lone Mountain is the Unit Operator).

API#

WELL NAME

LOCATION

43-047-33263 FEDERAL H 34-30

0592-FSL 2089-FEL 30 10S 24E

As of this date a designation of Agent has not been filed with this office. Upon approval of the designation of Agent this office has no objection to permitting the well.

/s/ Michael L. Coulthard

bcc:

File - Antelope Unit

Division of Oil Gas and Mining

Agr. Sec. Chron Fluid Chron

MCoulthard:mc:<date>-<date>



Michael O. Leavitt Governor Ted Stewart Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

February 18, 1999

Rosewood Resources, Inc. 265 East 100 South Vernal, Utah 84078

Re:

Federal H 34-30 Well, 592' FSL, 2089' FEL, SW SE, Sec. 30, T. 10 S., R. 24 E.,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33263.

Sincerely,

John R. Baza

Associate Director

lwp

Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal District Office

Operator:		Rosewoo	od Resou	rces, Inc.					
Well Name & Number: Feder			H 34-30						
API Number:		43-047-3	33263						
Lease:	Federal		Surfac	e Owner:		Federal			
Location:	SW SE		Sec	30	Т	10 S.	R	24 E.	

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well. Contact Carol Daniels at (801)538-5284.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval which must be obtained prior to drilling.

TORMS to 3	NECEI		(a)		SUBMIT IN TRIPLICA		Form approved.	. 1004-0126
December 1990)			STATES		(Other instruments of reversal	n	Budget Bureau No Expires December	
	DEPAR		OF THE INTER	RIOR	· Section	5. LEAS	E DESIGNATION AND SE	
	BURE	AU OF LA	ND MANAGEME	NT			TU-66421	
ADDI ICA	TION FOR PE	BMIT TO	DRILL, DEEPE	N. OR	PLUG BACK	6. IF IN	DIAN, ALLOTTEE OR TRI	BE NAME
APPLICA	V OF OU OL	C P MAIN	INC	,		N/2		
la. TYPE OF WORK	DRILL XUA	O O IVIIIA	NGDEEPEN				AGREEMENT NAME	. ,
b. TYPE OF WELL				cn:c	ALT TIDLE		A Untelo	
OIL OIL	WELL X	OTHER		SING	LE X MULTIPLE ZONE	8. FAR	w or lease name, wel	L NO.
2. NAME OF OPERATOR		one: 435/7		5 East 1	00 South		deral H	
Rosewood Resou					T 84078		WELL NO.	
3. ADDRESS AND TELEPHON	<u>r</u> 110				ld County Road 10 n, CO 80621		4-30 LD AND POOL, OR WILD	CAT
4. LOCATION OF WELL (1, CO 80021		ildcat	
At Surface		a in accordance				11. SEC	., T., R., M., OR BLK.	
592' FSL and 2	089' FEL			RE	CEIVED	ANI	SURVEY OR AREA	
At proposed prod. zone	7710C D24E			•	•	Se	c. 30, T10S - R2	4E
SW SE Sec. 30.	DIRECTION FROM NEARE	ST TOWN OR PO	ST OFFICE*	- 1/C	V 2 7 1998	12. CO	UNTY OR PARISH	13. STATE
	25.4 miles south					Ui	ntah	Utah
15. DISTANCE FROM PRO LOCATION TO NEAR	OPOSED*			16. NO. OF	ACRES IN LEASE	17. NO. OF AC	CRES ASSIGNED	
PROPERTY OR LEAS!	E LINE, FT.		554'		2240 Acres	10 1113	40 Acres	. .
(Also to nearest drlg. un	OPOSED LOCATION *		JJ-1	19. PROPO	SED DEPTH	20. ROTARY	OR CABLE TOOLS	
TO NEAREST WELL. OR APPLIED FOR. ON	DRILLING, COMPLET THIS LEASE, FT.		NI		7,100'		Rotary	
21. ELEVATIONS (Show wheth	er DF, RT, GR, etc.)		None	l	7,100	22. AP	PROX. DATE WORK WIL	L START*
5,313' ungrade							Upon App	roval
23.			PROPOSED CASING	AND CEN	MENTING PROGRAM			***
SIZE OF HOLE	GRADE, SIZE OF	CASING	WEIGHT PER FOOT		SETTING DEPTH		QUANTITY OF CEM	IENT
17-1/4"	13-3/8	11	61#		300'		circulate surfa	
12-1/4"	9-5/8'		36#		2,500'		op of cmt @ sur	
7-7/8''	4-1/2"		11.6#		7,100'	900 sx -	top of cmt @ 24	.00°
Docowood Pocon	rees Inc prop	oses to dr	ill a well to 7.100'	to test	the Wasatch and I	Mesa Vei	rda Formation	s. If
nroductive casin	o will be run a	nd the wel	l completed. If d	rv. the	well will be plugge	d and ab	andoned as pe	r BLM
and State of Utal								
	-	(6)		TUAI	L - TIGHT	HOL		
See Onshore Ord		icu.	•					
Please be advised	d that Rosewood	d Resourc	es, Inc. is conside	red to	be the Operator of	the above	ve mentioned v	vell.
		es to be re	sponsible under t	he tern	ns and conditions o	f the leas	se for the opera	ations
conducted upon	the lease lands.						•	
Bond coverage for	or this well is p	rovided b	y Nationwide Bor	nd No.	MT-0627. The pri	ncipal is	Rosewood Res	ources, Inc.
via surety conser	nt as provided f	for in 43 C	CFR 3104.2.			•		
IN ABOVE SPACE DESCR	RIBE PROPOSED PROG	RAM : If propos	sal is to deepen or plug back.	give data or	present productive zone and pr	oposed new pr	oductive zone. If propos	sal is to drill or
deepen directionally, give pe	ertinent data on subsurface	locations and n	easured and true vertical dept	hs. Give bl	owout preventer program, if any	i		
24.		m. V	,		Consultant For: Rosewood Resou	iros Ina	. Date 11	125/08
SIGNED SIGNED		MAL	T	TLE	Kosewood Kesoc	ii ces, iiic	. Date 11	123170
(This space for Federal or St	ate office use	7-01-			AI.	TIPE	of appro	VAL
PERMIT NO	<u> </u>	7326-	3	_				
Application approval does n CONDITIONS OF APPROV		upplicant holds leg	al or equitable title to those rights	in the subject	t lease which would entitle the appl	icant to conduct	operations thereon.	
CONTRACTOR OF THE PROPE			Acr	try A	seistant Field Mana	aer		
• *	1 11		A Company	J ^	ssistant Field Mana Mineral Resources	.g S	ATE APR 2 2	4000
APPROVED BY	Jung Ken	up.	т	ITLE		D	ATE AFR 22	1939
			*See Instruction	O-	Pavaraa Sida			
	100				'ully to make to any der	artment c=	agency of the	-
Title 18 H CC Conti	on 1001 makes it :	i erime for i	ny person knowingly	and Will	uny to make to any der	an unicit Ul	agency of the	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

COAs Page 1 of <u>5</u> Well No.: Rosewood Federal H 34-30

CONDITIONS OF APPROVAL APPLICATION FOR PERMIT TO DRILL

Company/Operator: Rosewood Resources, Inc.
Well Name & Number: Rosewood Federal H 34-30
API Number: <u>43-047-33263</u>
·
Lease Number: U - 66421
Location: SWSE Sec. 30 T.10S R. 24E

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

Well No.: Rosewood Federal H 34-30

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. <u>Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered</u>

Report <u>ALL</u> water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 3M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

3. Casing Program and Auxiliary Equipment

As a minimum, the usable water and oil shale resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Mahogany oil shale zone, identified at 1,128 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

Well No.: Rosewood Federal H 34-30

5. Coring, Logging and Testing Program

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

6. Notifications of Operations

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

7. Other Information

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

Well No.: Rosewood Federal H 34-30

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

-Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

COAs Page 5 of <u>5</u> Well No.: Rosewood Federal H 34-30

CONDITIONS OF APPROVAL FOR THE SURFACE USE PROGRAM OF THE APPLICATION FOR PERMIT TO DRILL

- -The access road should be crowned at between 2 to 3%. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.
- -The reserve pit topsoil will be piled separately from the location topsoil. The reserve pit topsoil can be piled near the pit wherever it works out best.
- -Once the reserve pit is dry, it should be filled, recontoured, topsoil spread, and broadcast seeded with the same seed mix mentioned in the APD. After broadcasting the seed, the area should be walked with a dozer to plant the seed.
- -The subsoil pile shown on the cut sheet is for the construction of tank dikes. **Topsoil is not to be used for dike construction.**



Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 801-538-7223 (TDD)

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax)

February 6, 2001

Diann Flowers Dominion Exploration & Production, Inc. Four Greenspoint Plaza 16945 Northchase Drive, Suite 1750 Houston, Texas 77060-2133

Re: **Extension for Drilling Permits**

In response to your letter dated January 18, 2001 (copy enclosed), whereby Dominion E&P Inc. (Dominion) requests a one-year extension for the Application's for Permit to Drill (APD's) listed below, please be advised of the following:

API No.	Well Name	Location	Lease No.
43-047-33184	A Fed H 41-28	Sec. 28-10S-24E	UTU-66421
APD rescinded by th	e Division December 3.	, 2000.	

43-047-33168 Fed N 41-17 Sec. 17-11S-24E UTU-73920 APD rescinded by the Division December 7, 2000.

43-047-33254 Fed N 24-17 Sec. 17-11S-24E UTU-73920 BLM never approved APD; the Division rescinded APD December, 9, 2000.

43-047-33257 Fed T 42-21 Sec. 21-12S-24E UTU-66425 BLM never approved APD; the Division rescinded APD December 9, 2000.

43-047-33192 Fed R 44-9 Sec. 9-T12S-22E UTU-73908 Well was spud on April 22, 1999; not necessary to request an APD extension.

43-047-33170 A Fed H 42-20 Sec. 20-10S-24E UTU-74480 BLM denied APD extension January 19, 2001; permit expires March 8, 2001; the Division will rescind APD upon expiration date unless drilling commences.

Page 2 Dominion E&P Inc. February 6, 2001

API No. Well Name Location Lease No. 43-047-33299 Fed K 12-22 Sec. 22-11S-21E UTU-75098

BLM denied APD extension January 19, 2001; permit expires April 21, 2001; the Division will rescind APD upon expiration date unless drilling commences.

43-047-33255 Fed M 24-22 Sec. 22-11S-23E UTU-66409 BLM denied APD extension January 19, 2001; permit expired December 28, 2000; the Division rescinded the APD on February 2, 2001, effective December 28, 2000.

43-047-33258 Fed M 42-22 Sec. 22-11S-23E UTU-66409 BLM denied APD extension January 19, 2001; permit expired December 28, 2000; the Division rescinded the APD on February 2, 2001, effective December 28, 2000.

43-047-33253 Fed M 22-27 Sec. 27-11S-23E UTU-66409 BLM denied APD extension January 19, 2001; permit expired December 28, 2000; the Division rescinded the APD on February 2, 2001, effective December 28, 2000.

43-047-33260 Fed M 44-29 Sec. 29-11S-23E UTU-66409 BLM denied APD extension January 19, 2001; permit expired December 28, 2000; the Division rescinded the APD on February 2, 2001, effective December 28, 2000.

43-047-33188 Fed R 13-30 Sec. 30-12S-22E UTU-65359 BLM denied APD extension January 19, 2001; permit expires February 10, 2001; the Division will rescind APD upon expiration date unless drilling commences.

43-047-33263 Fed H 34-30 Sec. 30-10S-24E UTU-66421 BLM extended APD to April 22, 2001; the Division will rescind APD upon expiration date unless drilling commences.

43-047-33242 Fed K 23-22 Sec. 22-11S-24E UTU-75098 BLM extended APD to April 22, 2001; the Division will rescind APD upon expiration date unless drilling commences.

Page 3 Dominion E&P Inc. February 6, 2001

A new Application for Permit to Drill (APD) must be filed with this office for approval prior to the commencement of any future work on the rescinded locations stated above.

In addition, if any previously unreported operations have been performed on any of the rescinded locations, it is imperative that you notify the Division immediately.

Should you have any questions regarding this matter please call me at the number listed above.

Sincerely,

Lisha Cordova Eng. Technician

Enclosure(s)

cc:

Well File(s)

Petroleum Information

APD approval dates
extended
As of 8/30/2000

Notes from Margie Herman - BLM Vernal email to Don Staley dated 8/30/2000.
Margie's comments high lighted



As 0+ 0/	50/ 200	L. H.M.	Approval	Extension	Twp	Rng	Sec	County	Lease Type
Company Name	API	Well Name	Date	Date	1117	9			TRESPONDENCE: THE BOX
COASTAL OIL & GAS CORP	4304733278	OURAY 3-74 NO BIA CONCURRENCE	08-Feb-99		090S	210E	03	UINTAH	INDIAN
DOMINION EXPL & PROD INC	4304733361	RBU 5-3F DRILLING	03-Aug-99		100S	200E	03	UINTAH	FEDERAL
EOG RESOURCES INC	4304733135	NBU 490-30E SPUD 9/21/98	09-Jul-98		090S	210E	30	UINTAH	FEDERAL
EOG RESOURCES INC	4304733214	CWU 569-28 NOT APPROVED YET	22-Oct-98		090S	220E	28	UINTAH	FEDERAL
FALCON CREEK RESOURCES	4301331997	TWIN KNOLLS 11-9 J EXPIRED 1/00	26-Jan-98	26-Jan-00	1108	170E	09	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332123	UTE TRIBAL 8-30-4-2 NOT APPROVED	25-Nov-98		040S	020W	30	DUCHESNE	INDIAN
INCAME PRODUCTION COMMENT	THE THE STATE OF THE STATE OF	YET				4005	0.0	DUQUEONE	FEDERAL
IN D PRODUCTION COMPANY	4301331951	WELLS DRAW 9-30 EXTENDED TO 6/01			080\$	160E	30	DUCHESNE	FEDERAL
INL AND PRODUCTION COMPANY	4301332114	WEST POINT 5-31-8-16 EXPIRES 12/11/00			080S	160E	31	DUCHESNE	
INLAND PRODUCTION COMPANY	4301332115	WEST POINT 6-31-8-16 EXPIRES 12/14/00			080S	160E	31	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332116	WEST POINT 7-31-8-16 EXPIRES 12/14/00			080S	160E	31	DUCHESNE	FEDERAL FEDERAL
INLAND PRODUCTION COMPANY	4301332119	WEST POINT 9-31-8-16 EXPIRES 11/10/00	09-Sep-98		080S	160E	31	DUCHESNE	
INLAND PRODUCTION COMPANY	4301332120	WEST POINT 11-31-8-16 EXPIRES	09-Sep-98		080S	160E	31	DUCHESNE	FEDERAL
		11/10/00			0000	160E	35	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332032	MONUMENT BUTTE 7N-35-8-16 NOT	09-Jul-98		080S	1000	33	DOCHESINE	LDLIVAL
	115 5 1172-212721242	APPROVED YET	10 Aug 09		0908	160E	03	DUCHESNE	FEDERAL
INLAND PRODUCTION COMPANY	4301332106	SOUTH WELLS DRAW 13-3-9-16 EXPIRES 10/8/00	10-Aug-90		0300	IOOL	00		* A A STATE OF THE
A STATE OF THE PROPERTY OF THE	4304733184	A FED H 41-28 EXPIRES 12/3/00	09-Sep-98		100S	240E	28	UINTAH	FEDERAL
LONE MTN PRODUCTION CO	4304733164	FED H 14-30 PRODUCING GAS WELL	19-Aug-98		100S	240E	30	UINTAH	FEDERAL
LONE MTN PRODUCTION CO	4304733183	FED T 31-11 HOLDING FOR NOW	14-Sep-98		120S	240E	11	UINTAH	FEDERAL
LONE MTN PRODUCTION CO	4304733163	FED V 12-21 DRILLING 4/27/99	24-Mar-99		130S	210E	21	UINTAH	FEDERAL
LONE MTN PRODUCTION CO		PTS 32-29 FEDERAL EXPIRED 5/00	20-May-98		080S	170E	29	DUCHESNE	FEDERAL
PACIFIC TRANS SUPPLY	4301330435 4301331930	UTE TRIBAL 30-13 NOT APPROVED YET	01-Jun-98		050\$	030W	30	DUCHESNE	INDIAN
PFTROGLYPH OPERATING CO	4304733311	RIVER BEND 13-27 EXPIRES 3/7/01	18-Mar-99		090S	190E	27	UINTAH	FEDERAL
A. AMCO OPERATING INC		ROCK HOUSE 11-31 APPROVED 8/25/00	18-Mar-99		100S	230E	31	UINTAH	FEDERAL
RETAMCO OPERATING INC	4304733312	ATCHEE RIDGE 11-27-13-25 EXPIRES	20-Aug-99		130S	250E	27	UINTAH	FEDERAL
RETAMCO OPERATING INC	4304733369	8/31/00	207.09 00						
ROSEWOOD RESOURCES INC	4304733263	FEDERAL H 34-30 EXPIRES 4/22/01	18-Feb-99		100S	240E	30	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733242	FEDERAL K 23-22 EXPIRES 4/22/01	10-Dec-98		110S	210E	22	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733264	FEDERAL N 42-22 HOLDING FOR NOW	15-Dec-98		110S	240E	22	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733217	HANGING ROCK I 4-14 HOLDING FOR	20-Oct-98		120S	230E	04	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4504755217	NOW							Andrew Commencer of the
ROSEWOOD RESOURCES INC	4304733218	HANGING ROCK I 5-16 HOLDING FOR	19-Oct-98		120S	230E	05	UINTAH	FEDERAL
NOOEWOOD NEGOGINGES		NOW				0005	0.0	LUNITALL	FEDERAL
ROSEWOOD RESOURCES INC	4304733234	HANGING ROCK I 6-2 HOLDING FOR NOV			120S	230E	06	UINTAH	FEDERAL
ROSEWOOD RESOURCES INC	4304733219	HANGING ROCK I 9-11 HOLDING FOR	20-Oct-98		120S	230E	09	UINTAH	FEDERAL
	0.0000, 2	NOW	06 100 00		080S	210E	14	UINTAH	INDIAN
SHENANDOAH ENERGY INC	4304733269	WVFU 18 WG NOT APPROVED YET	06-Jan-99		0003	2100	17	0/11/11	MINISTERNAN, D.

Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED OMB No. 1004-0135 Expires November 30, 2000

5. Lease Serial No.

UTU-66421

	orm for proposal to drill or lse Form 3160-3 (APD) for s		<u>.</u>	6. If Indian, A	llottee or Tribe Name
	TE – Other instructions	on reverse sid	le -	7. If Unit or (CA/Agreement, Name and/or No.
1. Type of Well Gas Well Ot	ther	-		8. Well Name	e and No.
2. Name of Operator	ALVA			FF	EDERAL H 34-30
DOMINION EXPLORATION & PRODU	JCTION, INC.			9. API Well I	
3a. Address		3b. Phone No. (inc.	lude area code)		43-047-33263
16945 Northchase Drive, Suite 1750		(281)	873-3692	10. Field and	Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey D	escription)				
SW SE SEC. 30,T10S, R24E				11. County or	Parish, State AH COUNTY, UTAH
12. CHECK APPROPR	RIATE BOX(ES) TO INDICAT	E NATURE OF I	NOTICE, REPORT,		
TYPE OF SUBMISSION			PE OF ACTION		
					1 w
Notice of Intent		Deepen	Production (Start/Re	sume)	Water Shut-Off
		Fracture Treat	Reclamation	L	Well Integrity
Subsequent Report		New Construction	Recomplete	\boxtimes	Other Change of
Final Abandonment Notice		Plug and Abandon	Temporarily Abando		perator
I mai Adamoninent Potec	Convert to Injection	Plug Back	Water Disposal		
13. Describe Proposed or Coommpleted Operation (the proposal is to deepen directionally or recommendate before the Bond under which the work will be perfore completion of the involved operations. If the operation is ready for final inspection.) Please be advised that, effective Ja of Federal No. H 34-30; SW 1/4 conditions of the lease for the operation of the lease for	plete horizontally, give subsurface I med or provide the Bond No. on fi eration results in a multiple complet filed only after all requirements, in anuary 1, 2001, Dominion SE 1/4, Section 30, T10S ations conducted upon the	ocations and measure with BLM/BIA. ion or recompletion cluding reclamation, Exploration & R. R24E; Uintaleased lands.	red and true vertical dept Required subsequent rep in a new interval, a Forn have been completed, a reproduction, Inc. th County; and is Bond coverage is	hs of all pertiorts shall be m 3160-4 shall and the operate is consideresponsibly provided l	nent markers and zones. Attach filed within 30 days following 1 be filed once testing has been or has determined that the final ered to be the operator le under the terms and by BLM Bond No. 76S
				R	ECEIVED
					MAR 1 5 2001
				OIL	DIVISION OF GAS AND MINING
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) DIANN FLOWERS		Title REG	ULATORY SPECL	ALIST	
11:2) 2/.					
Signature Wilmw WWW.	LIC CRACE FOR FEDERAL	V 534	0/2001 • OFFICE USE		
	HIS SPACE FOR FEDERA	AL UK STATE	OFFICE USE		
Approved by		Title			Date
Conditions of approval, if any, are attached. Approval of this the applicant holds legal or equitable title to those rights in the applicant to conduct operations thereon.		Office			

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or

fraudulent statements or representations as to any matter within its jurisdiction.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office 170 South 500 East Vernal, Utah 84078-2799 http://www.blm.gov/utah/vernal

Phone: (801) 781-4400 Fax: (801) 781-4410

IN REPLY REFER TO: 3162.3 UT08300

April 12, 2001

Dominion Expl. & Prod., Inc. 16945 N Chase Dr., Ste. 1750 Houston, Texas 77060

43-047-33263

Re:

Well No. Federal H 34-30 SWSE, Sec. 30, T10S, R24E Lease No. U-66421 Uintah County, Utah

Gentlemen:

This correspondence is in regard to the self-certification statement submitted requesting a change in operator for the referenced well. After a review by this office, the change in operator request is approved. Effective immediately, Dominion Expl. & Prod., Inc. is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. WY3322, for all operations conducted on the referenced well on the leased land.

If you have any other questions concerning this matter, please contact Leslie Crinklaw or Pat Sutton of this office at (801) 781-4400.

Sincerely,

Kirk Fleetwood Petroleum Engineer

cc:

DOGM - Jim Thompson Seahawk Energy Inc.

RECEIVED

APR 1 6 2001

DIVISION OF OIL, GAS AND MINING

2000 7 1500

Submit in triplicate

BLM VERNAL. ""

DESIGNATION OF AGENT

RECEIVED

APR 0 7 1999

Supervisor, Oil and Gas Operations:

The undersigned is, on the records of the Minerals Management Service, Unit Operator under the Antelope Unit Agreement, Uintah County, Utah, No. UTU72403X, dated effective November 9, 1993, and hereby designates:

NAME:

Rosewood Resources Inc. 2711 N. Haskell Avenue

ADDRESS:

Suite 2800 LB#22

Dallas, Texas 75204-2944

as its agent, with full authority to act in its behalf in complying with the terms of the Unit Agreement and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Oil and Gas Operating Regulations with respect to drilling, testing and completing Unit well No. D 30-15, in the SW4SE4 of Section 30, Township 10 South, Range 24 East, S.L.M., Uinlah County, Utah 34-30

It is understood that this designation of agent does not relieve the Unit Operator of responsibility for compliance with the terms of the Unit Agreement and the Oil and Gas Operating Regulations. It is also understood that this designation of agent does not constitute an assignment of any interest under the Unit Agreement or any lease committed thereto.

In case of default on the part of the designated agent, the Unit Operator will make full and prompt compliance with all regulations, lease terms or orders of the Secretary of the Interior or his representative.

The Unit Operator agrees promptly to notify the oil and gas supervisor of any change in the designated agent.

This designation of agent is deemed to be temporary and in no manner a permanent arrangement.

This designation of agent is given only to enable the agent herein designated to drill the abovespecified Unit well. Unless sooner terminated, this designation shall terminate when there is filed in the appropriate office of the Minerals Management Service a completed file of all required Federal reports pertaining to subject well. It is also understood that this designation of agent is limited to field operations and does not cover administrative action requiring specific authorization of the Unit Operator.

UNIT OPERATOR:

LONE MOUNTAIN PRODUCTION COMPANY

James G. Routson, President

Dra 18/1 101 19

Division of Oil, Gas and Mining PHONE CONVERSATION DOCUMENTATION FORM

[✓ W (Loc.	original/copy to: Vell File Fed H 3 4 36	Other
1.	Date of Phone Call: 4-27-01 Time: 10:19	
2.	DOGM Employee (name) \[\int \langle \	
3.	Topic of Conversation: Op. clg? APD Extended or LA	1?
4.	Highlights of Conversation: Blim aprv. op. clg. fr. foru Mfn. to Dominion Sent to JT. Also, both wells have spudded, no app or rescind necessary. **X memo to GT for op. clg. E. CD for Spu	extension

Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposal to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

	Expires November 30, 20	
5.	Lease Serial No.	

U-66421
6. If Indian, Allottee or Tribe Name

abandoned well. U	se Form 3160-3 (APD) for s	uch proposals.			
SUBMIT IN TRIPLICA	TE – Other instructions o	on reverse side		7. If Unit or CA/A	greement, Name and/or No.
1. Type of Well		CAICIOCAITIAI		ANT	ELOPE UNIT
	her	JUNITIUEN I IAU	-	8. Well Name and	No.
2. Name of Operator					ERAL H 34-30
DOMINION EXPLORATION & PRODU	JCTION, INC.	T		9. API Well No.	
3a. Address	4750	3b. Phone No. (include area cod	-		-047-33263 or Exploratory Area
16945 NORTHCHASE DRIVE, SUITE	. 1750	(281) 873-3692	2		•
HOUSTON, TEXAS 77060 4. Location of Well (Footage, Sec., T., R., M., or Survey D.	escription)			V	/ILDCAT
592' FSL & 2089' FEL			-	11. County or Pari	ch State
SW SE Sec. 30, T10S, R24E				-	COUNTY, UTAH
12 CHECK APPROPR	IATE BOX(ES) TO INDICATI	E NATURE OF NOTICE	REPORT (•	
	THE BOX(EO) TO INDIO/(II			- CHILIND	
TYPE OF SUBMISSION		TYPE OF A	CHON		
Notice of Intent	Acidize	Deepen Produ	uction (Start/Resi	ume) W	ater Shut-Off
_	Alter Casing	Fracture Treat Recla	amation	□w	ell Integrity
Subsequent Report	Casing Repair	New Construction Reco	mplete	⊠ o	her Drilling
	Change Plans	Plug and Abandon Temp	oorarily Abandon	Opera	ations
Final Abandonment Notice	Convert to Injection	Plug Back Wate	т Disposal		
completion of the involved operations. If the operation of the involved operations of the operation of the site is ready for final inspection.) Moved in and rigged up Ram drilling The Federal H 34-30 was spud on 4	filed only after all requirements, in g. Drilled to 76'. Waiting	cluding reclamation, have been			
Dominion respectfully requests permiss	-		_		•
Attached is a revised drilling plan which		s of geological markers	s, casing pi	rogram and v	vater supply.
Approved by the Utah Division of		and the second			
Oil, Gas and Minimoter Date: 06-4-01	LAA A	ia 203	CONFI	DENTIA	L
By: By		80% (1# 9vp 1 181 3	The second of th	06-14-0	7 () () () () () () () () () (
14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)			t to see a single	CHO	-
DIANN FLOWERS		Title REGULATOR	RY SPECIA	LIST	
Signature Dian Howels		Date 04/24/2001		St. Strategic St.	
	HIS SPACE FOR FEDERA	L OR STATE OFFICE	USE		
Approved by		Title			Date
Conditions of approval, if any, are attached. Approval of this the applicant holds legal or equitable title to those rights in the applicant to conduct operations thereon.		Office			

DRILLING PLAN APPROVAL OF OPERATIONS

[] 25-Apr-01

Attachment for Permit to Drill

Name of Operator:

Dominion Exploration & Production

Address:

Four Greenspoint Plaza

16945 Northchase Drive, Suite 1750

Houston, Texas 77060-2133

Well Location:

Federal H 34-30 Uintah County, Ut

1 GEOLOGIC SURFACE FORMATION

Uintah

2 ESTIMATED DEPTHS OF IMPORTANT GEOLOGIC MARKERS

<u>Formation</u>	<u>Depth</u>	
Wasatch Tongue	2,087'	
Green Rvr. Tongue	2,430'	
Wasatch	2,580'	
Chapita Wells	3,032'	
Uteland Buttes	3,923'	
Mesaverde	4,480'	
Mancos	6,300'	

3 ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS

Formation	<u>Depth</u>	Typė
Wasatch Tongue	2,087'	Oil
Green Rvr. Tongue	2,430'	Oil
Wasatch	2,580'	Gas
Chapita Wells	3,032'	Gas
Uteland Buttes	3,923'	Gas
Mesaverde	4,480'	Gas
Mancos	6,300'	

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4 PROPOSED CASING PROGRAM

All casing used to drill this well will be new casing.

<u>Type</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>	Conn.	<u> Top</u>	<u>Bottom</u>	<u>Hole</u>
Conductor	13 3/8"	54.5 ppf	K-55	STC	0'	84'	17 1/2"
Surface	8 5/8"	24.0 ppf	K-55	STC	0'	1,000'	12 1/4"
		32.0 ppf	K-55	LTC	1,000'	2,800'	12 1/4"
Production	5 1/2"	17.0 ppf	N-80	LTC	0'	8,500'	7 7/8"

5 OPERATOR'S MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL

BOP stack has a 3,000 psi working pressure.

Pipe rams will be operated daily and blind rams as possible.

6 MUD SYSTEM

KCL mud system will be used to drill well.

An air mist may be used to drill until first water is seen.

<u>interval</u>

Density

0' - 8,500'

9.4 ppg - 9.4 ppg

7 BLOOIE LINE

An automatic igniter will not be installed on blooie line.

A 90 degree targeted bend will be installed on blooie line about 50' from wellhead.

The blooie line discharge will remain 100' from the wellhead.



8 AUXILIARY EQUIPMENT TO BE USED

- A. Kelly Cock.
- B. Full opening valve with DRILL PIPE connection will be kept on floor.

Valve will be used when Kelly is not in string.

9 TESTING, LOGGING, AND CORING PROGRAMS TO BE FOLLOWED

A Drill Stem Test in the Wasatch Tongue is possible.

One electric line wire-log will be run from TD to surface.

The gamma ray will be left on to record from surface to TD.

Other log curves (Resistivities, Porosity, and Caliper) will record from TD to Surface casing.

A dipmeter, percussion cores, or rotary cores may be run over selected intervals.

10 ANTICIPATED ABNORMAL PRESSURES OR TEMPERATURES EXPECTED

No abnormal pressures or temperatures are anticipated.

The formations to be penetrated do not contain known H₂S gas.

The anticipated bottom hole pressure is 3,934 psi.

11 WATER SUPPLY

No water pipelines will be laid for this well.

No water well will be drilled for this well.

Drilling water for this will be hauled on the road(s) shown in Attachment No. 3.

Water will be hauled from:

Permit 43-10447 in Section 9, Township 8 South, Range 20 East

12 CEMENT SYSTEMS

A. Conductor Cement:

Ready mix cement filled from surface, prior to rig moving on.

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B. Surface Casing Cement:

- a Drill 12 1/4" hole to +/- 2,800", run and cement 8 5/8" to surface.
- **b** Pump 20 bbls lightly water spacer followed by 5 bbls fresh water. Displace with any available water.
- c Run 1" tubing in annulus to ± 200' and cement to surface.
- d Note: Repeat Top Out until cement remains at surface.
- e Casing to be run with: a) guide shoe b) insert float c) three (3) centralizers, one on each of first 3 joints d) stop ring for plug two joints off bottom e) bottom three joints thread locked f) pump job with bottom plug only.

					Hole	Cement	
Type	<u>Sacks</u>	<u>Interval:</u>	<u>Density</u>	<u>Yield</u>	Volume:	Volume:	Excess
Lead	570 Sx	0' - 2,300'	11.0 ppg	3.34 CFS	953 CF	1,904 CF	100%
Tail	380 Sx	2,300' - 2,800'	15.8 ppg	1.17 CFS	220 CF	445 CF	102%
Top Out	150 Sx	0' - 200'	15.8 ppg	1.17 CFS	87 CF	176 CF	102%

Lead Mix:

Prem Lite II Cement, 10% Gel extender, 0.5% Sodium Metasilicate extender, 6 lb/sk Inert Course Grannular LCM: Kol Seal, 1/4 lb/sk Cellophane Flakes LCM, 3 lb/sk Silica Fume high strength additive: BA90, 2% Calcium Chloride accelerator, 20.15 gps water

Pump Time: 4+ hours @ 130 °F.

Compressives @ 150 °F: 24 Hour is 375 psi

Tail Mix:

Class "G" Cement, 1/4 lb/sk Cellophane Flakes Lost Return Material, 1-to-2% Calcium

Chloride accelerator, & 5.00 gps water

Pump Time: 2 Hours @ 120 °F.

Compressives @ 120 °F: 24 Hour is 2,000 psi

Top Out:

Class "G" Cement, 1/4 lb/sk Cellophane Flakes Lost Return Material, 1-to-2% Calcium Chloride accelerator, & 5.00 gps water

C. Production Casing Cement:

a Drill 7 7/8" hole to +/- 8,500", run and cement 5 1/2" to surface.

b Lead/Tail cement interface is at 4,000', which is typically 500-1,000' above shallowest pay.

c Pump 50 bbl Mud clean II unweighted spacer, followed by 10 Bbls 3% KCL spacer.

d Displace with 3% KCl.

					Hole	Cement	
<u>Type</u>	Sacks	Interval:	Density	Yield	Volume:	Volume:	Excess
Lead	440 Sx	0' - 4,000'	11.5 ppg	2.85 CFS	953 CF	1,904 CF	1 CF
Tail	921 Sx	4,000' - 8,500'	14.2 ppg	1.51 CFS	791 CF	1,391 CF	76%

Lead Mix:

Prem Lite II Cement, 10% Gel extender, 0.5% Sodium Metasilicate extender, 1/4 lb/sk Cellophane Flakes LCM, 3 lb/sk Silica Fume high strength ba-90, 3% Potassium Chloride clay inhibitor, 0.05 lb/sk Static Free anti foaming agent, 0.2% retarder, & 16.78 gps water

Pump Time: 5+ hours @ 155 °F. Fluid Loss is 240 cc / 30 minutes.

Compressives @ 200 °F: 24 Hour is 525 psi

Tail Mix:

Prem II Cement, 1/4 lb/sk Cellophane Flakes LCM, 2 lb/sk Kol Seal Coarse Inert LCM, 3% Potassium Chloride clay inhibitor, 0.7% fluid loss & bonding additive FL-62, 0.1% retarder R-3, & 7.32 gps water

Pump Time: 3 Hours @ 102 °F. Fluid Loss: is 138 cc / 30 minutes.

Compressives @ 130 °F: 24 Hour is 2,875 psi

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ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS 13

Starting Date:

19-Apr-01

Duration:

20 Days

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM

Operator:

DOMINION EXPLORATION & PRODUCTION, INC.

Operator Account Number: N 095

Address:

16945 NORTHCHASE DRIVE, SUITE 1750

city HOUSTON

state TX

zip 77060

Phone Number: (281) 873-3692

Well 1

API Number	Well	Name	QQ	Sec	Twp	Rng	County		
4304733263	FEDERAL H 34-30	SWSE	30	108	24E	UINTAH			
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date			
В	99999	13106	4/21/2001				4/21/2001		

Comments:

5-2-01

CONFIDENTIAL

Well 2

API Number	Well I	QQ	Sec	Twp	Rng	County	
Action Code	Current Entity Number	New Entity Number		Spud Date			tity Assignment Effective Date

Well 3

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
-------------	-----------------------	----------------------	-----------	-------------------------------------	--	--

ACTION CODES:

- A Establish new entity for new well (single well only)
- **B** Add new well to existing entity (group or unit well)
- c Re-assign well from one existing entity to another existing entity
- D Re-assign well from one existing entity to a new entity
- E Other (Explain in 'comments' section)

DIANN FLOWERS

Signature

Regulatory Specialist

4/30/2001

Title

Date

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address: P.O. Box 3394 Billings, MT 59103-3394 (406) 245-5077 FAX 248-6321 Shipping Address: 100 North 27th Street Suite 650 Billings, MT 59101

May 2, 2001

State of Utah Division of Oil, Gas & Mining 1594 W. Temple, Suite 1210 P. O. Box 145801 Salt Lake City, Utah 84114-5801

Attn: Jim Thompson

RE:

RESIGNATION OF OPERATOR

FEDERAL NO. K 23-22 FEDERAL NO. H. 34-30 UINTAH COUNTY, UTAH

Dear Jim:

Please be advised Lone Mountain Production Company resigned as Operator of the following wells in the referenced county, effective January 1, 2001.

Federal No. K 23-22

43-047-33242

Federal No. H 34-30

43-047-33263

All future correspondence should be directed to Diann Flowers, Dominion Exploration & Production Inc., 16945 Northchase Drive, Suite 1750, Houston, TX 77060, Phone: (281) 873-3692

Should you have any questions or need further information please contact our office at the letterhead address or phone number.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY

Carolyn George
Land Department

RECENED

MAY 0 4 2001

DIVISION OF OIL, GAS AND MINING

LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address: P.O. Box 3394 Billings, MT 59103-3394

(406) 245-5077 FAX 248-6321 Shipping Address: 100 North 27th Street Suite 650 Billings, MT 59101

April 20, 2001

State of Utah Division of Oil, Gas & Mining 1594 West North Temple, Suite 1210 P. O. Box 145801 Salt Lake City, Utah 84114-5801

Attn: Leisha Cordova

RE:

RESIGNATION OF OPERATOR

VARIOUS WELLS

UINTAH COUNTY, UTAH

Dear Leisha:

Please be advised Lone Mountain Production Company resigns as Operator of the attached list of wells in the referenced county, effective January 1, 2001.

All future correspondence should be directed to Diann Flowers, Dominion Exploration & Production Inc.,16945 Northchase Drive, Suite 1750, Houston, Texas 77060.

Should you have any questions or need further information, please contact our office at the letterhead address or phone number.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY

James G. Routson

President

attachment

RECEIVED

MAY 0 4 2001

DIVISION OF OIL, GAS AND MINING

OPERATOR CHANGE WORKSHEET

Enter date after each listed item is completed

X Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

Merger

					·	
The operator of the well(s) listed belo	w has changed, effective:	04-01-20	001			
FROM: (Old Operator):	TO: (New Operator):			TO: (New	Operato	or):
ROSEWOOD RESOURCES INC	LONE MOUNTAIN PRO	DUCTION C	CO	DOMINIO	VEXP &	PROD INC
Address: P. O. BOX 1668	Address: 100 NORTH 277	H STREET	STE 650	Address:		DYDRAS
				ST 8TH FL		
VERNAL, UT 84078	BILLINGS, MT 59101			NEW ORL		
Phone: 1-(435)-789-0414	Phone: 1-(406)-245-5077			Phone:		-593-7000
Account N7510	Account N7210			Account	N1095	
CA No.		Unit:				
WELL(S)	<u> </u>	1 Chit.				
WELL(S)	API NO.	ENTITY	SEC. TWN	LEASE	WELL	WELL
NAME	ATT NO.	NO.	RNG	TYPE	TYPE	STATUS
FEDERAL H 34-30	43-047-33263	13106	30-10S-24E	FEDERAL	GW	DRL
					ļ	
			_	.	<u> </u>	
	ACTON		<u> </u>		<u> </u>	<u></u>
OPERATOR CHANGES DOCUMENT	ATION					
1 (DC40 9 10) Combined to a support tion and	on received from the FORM	IFD anaratas	r on:	05/04/2001	SEE CO	OMMENTS
1. (R649-8-10) Sundry or legal documentation w	as received from the FORIV	EK operator	OII:	03/04/2001	SEE CC	JWIWIEN 13
2. (R649-8-10) Sundry or legal documentation w	as received from the NEW	operator on:		03/15/2001		
2. (101) 0 10) Stately of legal destationalities.		P moor our			· ·	
3. The new company has been checked through the	he Department of Commer	ce, Division	of Corporati	ons Database	e on:	06/13/2001
•						
4. Is the new operator registered in the State of U	t YES	Business	Number:	852894-014	3	
5 7070	27/4					
5. If NO , the operator was contacted contacted of	n N/A					
6 Federal and Indian Logge Wellst Th	DIM and an the DIA he	a annrovad	l tha (marga	r noma cho	nge	
6. Federal and Indian Lease Wells: Th		04/12/200		COMMEN		
or operator change for all wells listed on Feder	al of fildiali leases off.	04/12/200	1 SEE	COMME	113	_
7. Federal and Indian Units: The BLM of	or RIA has annroved the	successor.	of unit oper:	ator		
for wells listed on:	N/A	Bucce BB01	or unit open	4101		
ioi wone need orr.	1171	_				
8. Federal and Indian Communization	Agreements ("CA"):	The BLM	or the BIA	has approv	ed the c	perator
change for all wells listed involved in a CA on						•
——————————————————————————————————————	······································					

9.	Underground Injection Control ("U The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A	
D.	TA ENTRY:	
1.	Changes entered in the Oil and Gas Database06/13/2001	
2.	Changes have been entered on the Monthly Operator Change Spread Sheet on: 06/13/2001	
3.	Bond information entered in RBDMS on: N/A	
4.	Fee wells attached to bond in RBDMS on: N/A	
S	ATE BOND VERIFICATION:	
1.	State well(s) covered by Bond No.: N/A	
F	E WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:	
1.	(R649-3-1) The NEW operator of any fee well(s) listed has furnished a bond: N/A	
2.	The FORMER operator has requested a release of liability from their bond on: N/A The Division sent response by letter on: N/A	
3.	R649-2-10) The FORMER operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A	
F	LMING:	
	All attachments to this form have been MICROFILMED on:	
	LING: ORIGINALS/COPIES of all attachments pertaining to each individual well have been filled in each well file on:	
C	MMENTS: Well was transferred to Lone Mountain Producton under a Designation of Agent Agreement approved by the BLM	
4/5	99.	

Form 3160-4 (August 1999)

UNITED S' TES DEPARTMENT HE INTERIOR

BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137

	14/E1 1	COMPLET			I ETION D		T 1110 1 00			November 30, 2000	
q.	VVELI	COMPLE	ION OR F	RECOMP	LE HON R	EPOR	T AND LOG		5. Lease Seria		
										U-66421	
1a. Type of W	/ell Oil	Well Gas	Well	Ory Oth	er :				6. If Indian, All	ottee or Tribe Name	
b. Type of Co	ompletion:	New Well	Work C	over	Deepen	Diff	.Resvr.				
	_			1.000000	1				7. Unit or CA	Agreement Name and	l No
		Other <u>We</u>	<u> 11 is TA</u>	4.		,UV	EIDENTIA	±		igiosinio anti-	
2. Name of 0	Operator					JUN	HOP WITH		8. Lease Name	e and Well No.	
Dominio	on Explorati	on & Product	ion, Inc.							Federal H 34-30	
3. Address						3a.	Phone No. (include a	rea çode)	9. API Well No).	
1400	0 Quail Spr	ings Parkway	- Ste. 600	- Okla. Ci	ty, OK 7313	4	405-749-130	00 🐧		13-047-33263	
4. Location of	of Weil (Report	location clearly a	nd in accordan	ce with Fede	ral requirement	s)*	Jimile Internal	1	10. Field and Po	ool, or Exploratory	************
At surface	;				•	فيها تحدد	NFIDENTIAL	ij.			
					. #		PERIOD	, ·	11. Sec., T.,R.,I	M., or Block and	
At top pro	d. Interval repo				1	. 3 5	EXPIRED	ĺ.	Survey or A	rea 30-10S-	-24E
		2' FSL & 2089	3' FEL			e de la companya della companya della companya de la companya della companya dell	5-21-02		12. County or P	arish 13. Stat	e
At total de	epth						,		Uintah	:	UT
14. Date Spud	dded	15. Date T.D	. Reached	16.	Date Complete	d	4-21-0	1 TA	17. Elevations (DF, RKB, RT, GL)*	
11-21								1 /17		-	
4-21		<u> </u>			D&A	- Re	eady to prod.				
18. Total Dep		. 1	9. Plug Back		_		20. Depth Bridge	Plug Set:	MD		
76'	TVD			TV					TVD	*.	
21. Type Elec	tric & Other Me	chanical Logs Ru	ın (Submit cop	y of each)			22. Was well cored?	XNo	Yes	(Submit analysis	;)
	•						Was DST run?	XNo		(Submit report)	
							Directional Surve	ey?	X No	Yes (Submit co	(vac
23. Casing an	d Liner Record	(Report all string	set in well)						- Secretary Secr	79 1000 100	
Hole Size	Size/Grade	Wt.(#/ft)	Top (MD)	Bottom (M	D) Stage Ce		No. of Sks &	Slurry Vol.	Cement Top	Amount P	hilled
				Bottom (m)	Dep	ith	Type of Cement	(BBL)	Cernent rop	Amount	uneu
				<u> </u>							···· - · · · · ·
			·	ļ		·····					
24. Tubing Re											
Size	Depth Set (M	1D) Packer	Depth (MD)	Size	Depth Se	et (MD)	Packer Depth (MD) Size	Depth Se	t(MD) Packer De	epth (MD)
25. Producing	Intervale			<u> </u>	26. Perfora	tion Poo	ord		L		
	ormation	T	Top	Bottom		···	d Interval	Size	No. Holes	Perf.Status	
۹)									1.0.1.0.00	1 0.1.010100	
3)							7				
3) C)											
O)											
	ture. Treatmen	t, Cement Squee	ze, Etc.				Amount and Type of	of Material			
	epin miervar				· · · · · · · · · · · · · · · · · · ·	-	Amodrit and Type C	n Waterial			
						***************************************	$ \bigcirc$				
28. Production				166		Trace.	lou o	7-2			
Date First Produced	Test Date	Hours Tested	Test Production	Oii BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Me	ethod	
			-					,	ŀ		
Choke	Tbg.Press.	Csg.	24 Hr.	Oil	Gas	Water	Gas:Oil	Well Status		 	
Size	Flwg.	Press.	Rate		MCF	BBL	Ratio	7	1		:
	SI		-					1 / 1	7		
	ction - Interval (
Date First Produced	Test Date	Hours Tested	Test Production	Oil B8L	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas.	Production M	TVED	
Loudced	Date	l'esieu		100	WO!	DDL.	Cur. AFT	Gravity		IVLU	
Choke	Tbg.Press.	Csg.	24 Hr.	Oil	Gas	Water	Gas:Oil	Mail Ct-t			- 4
Size	Flwg.	Press.	Rate		MCF	BBL	Ratio	Well Status	MAY 2	0 2002	

28b Producti	on - Interval C			~							·
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL		Gravity . API	Gas Gravity	Production Method	
Choke Size	Tbg.Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Ratio		Well Status		
28c. Producti	on - Interval D			···					· - *	·	
Date First Produced	Test Date	Hours Tested	Test Production	Oii BBL	Gas MCF	Water BBL		Gravity . API	Gas Gravity	Production Method	
Choke Size	Tbg.Press. Flwg. Si	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas: Ratio		Well Status		
29. Dispostion	of Gas (Sold, us	ed for fuel, vente	d, etc.)		•						
30. Summary o	f Porous Zones	(Include Aquifers):					31. Forma	ition (Log) Marker	S	
Show all im tests, include and recover	ting depth interv	porosity and cor al tested, cushion	ntents thereon used, time	of: Cored into tool open, flo	ervals and all dowing and shut	drill-stem t-in pressures					••*
Formatio	on T	op 8	Bottom		Descritpion, Co	ontents, etc.	-		Name		Top Meas, Depth
32. Additional r	emarks (include	plugging proced	ure)	<u> </u>	····						
Per Sund	dry well was	drilled to 76'.	No casir	ng has be	en set, well	is TA.					
	· ·								· 18 sept m		
1. Electric		s: ogs (1 full set req ing and cement v			ologic Report re Analysis		DST Re	port	4. Directional	Survey	
34. I hereby cer	tify that the foreç	going and attache	ed informatio	on is complet	te and correct a	as determined	from all a	vailable re	cords (see attach	ed instructions)*	
Name (plea	ese print)	Carla Christ	ian				Title	Regu	ılatory Specia	list	-
Signature	LCMA	2 Ma	isho	<u>~~</u>		· 	Date _	May	16, 2002		
Title 18 U.S.C.	Section 1001 and	d Title 43 U.S.C.	Section 121	2, make it a	crime for any p	person knowing	gly and w	illfully to ma	ake to any depart	ment or agency or	f the United States

any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

" Sent to Carla Ch tian 1-13-05 T10: 324E 5-30

Utah Division of Oil, Gas and Mining DRILLING OPERATIONS SUSPENDED

NOTICE TO OPERATORS:

In order to more accurately monitor wells where drilling operations have been suspended, the Division has changed the statuses of the following wells from Temporarily Abandoned to Operations Suspended in our databases.

These wells will no longer appear on your Monthly Oil and Gas Production Report, Form 10. Therefore, it will now be the operator's responsibility to provide a monthly status report for such wells in accordance with Rule R649-3-6.2.4, which states:

The operator shall submit a monthly status report for each drilling well on Form 9, Sundry Notices and Reports on Wells. The report should include the well depth and a description of the operations conducted on the well during the month. The report shall be submitted no later than the fifth day of the following calendar month until such time as the well is completed and the well completion report is filed.

Your assistance is appreciated. If you have questions regarding this matter, please feel free to call (801) 538-5275.

Operator	Well Name	API Number	Permit Date	Spud Date - Dry	Spud Date - Rotary	Measured Depth	Lease Type
DOMINION EXPL & PROD INC	STATE L 23-16	4304733251	01/11/99	04/23/99		542	State
DOMINION EXPL & PROD INC	FEDERAL H 34-30	4304733263	02/18/99	04/21/01		76	Federal

Form 3160-5 (August, 1999)

UNITED TES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM A	PPROVED
OMB No.	1004-0135

Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any personal United States any false, fictitious or fraudulent statements or representations as to any matter within its

U-66421 6. If Indian Allottee or Tribe Name

5. Lease Serial No.

	e Form 3160-3 (APD) fo		_	o. Il matasi, risotto di 11100	Control
	CATE - Other Instruction			7. If Unit or CA/Agreement, N	Jame and/or No.
1. Type of Well					
Oil Well X Gas Wel	Other			8. Well Name and No.	
2. Name of Operator				Federal H 34-30	
DOMINION EXPLORATION & P.	RODUCTION, INC.			9. API Well No.	
3a. Address Suite 6		3b. Phone No. (inclu	ide area code)	43-047-33263	
14000 QUAIL SPGS PKWY, OK		405-749-130	00	10. Field and Pool, or Explora	tory Area
4. Location of Well (Footage, Sec., T., R., M.	, or Survey Description)			Natural Buttes	
				11. County or Parish, State	
592' FSL & 2089' FEL, (SE SW)	Sec. 30-10S-24E			Llimbola	
12 CHECK ADDODDIATE	POV(EQ) TO DIDICAT	ENATURE OF N	IOTICE DED	Uintah	
12. CHECK APPROPRIATE	BOX(ES) TO INDICAT	· · · · · · · · · · · · · · · · · · ·			
TYPE OF SUBMISSION		1	E OF ACTION		
Notice of Intent	Acidize	Deepen		Start/Resume) Water St	
Subsequent Report	Altering Casing Casing Repair	Fracture Treat New Construction	Reclamation Recomplete	Well Inte	grity
Subsequent Report	Change Plans X	Plug and Abandon	Temporarily A		
Final Abandonment Notice	Convert to Injection	Plug Back	Water Dispos		
13 Describe Proposed or Completed Oper	ation (clearly state all pertinent de	etails including estimate	ed starting date of a	any proposed work and approxim	ate duration thereof
Attach the Bond under which the wor following completion of the involved op testing has been completed. Final A determined that the site is ready for final Please be advised that Don	erations. If the operation results bandonment Notices shall be filed Il inspection.)	in a multiple completion only after all requirer	on or recompletion ments, including rec	in a new interval, a Form 3160 clamation, have been completed	-4 shall be filed once
				RE	CEIVED
general general general services and a service of the services	· · · · · · · · · · · · · · · · · · ·			MAF	2 8 2005
SERVI SERVI TO OPERATOR				DIV. OF OI	L, GAS & MINING
14. I hereby certify that the foregoing is true a Name (PrintedTyped)	ind correct		1		
Carla Christian	•		Title	Regulatory Speciali	st
Signature Colla	untion		Date	3/22/2005	
TH.	IS SPACE FOR FEDI	ERAL ORSTA	TE-OFFICE	USE	4.0
Approved by			Accer	oted by the Division of	Date
Conditions of approval, if any, are attached			Utan	s and Mining	ederal Approval Of This
certify that the applicant holds legal or exwich would entitle the applicant to condu		in the subject lease	Oma, Ga	3/05	Action Is Necessary

Dominion Exploration & Production, Inc. Abandonment Procedure

FEDERAL H 34-30

White River Field
592' FSL & 2,089' FEL, Sec. 30, T-10-S, R-24-E
Uintah Co., Utah
API# 43-047-33263

Objective:

Plug and abandon conductor pipe set at a depth of 76' and reclaim location as per State of Utah request.

Datum, top connection, tubulars:

Elevation: 5,313' GL.

13-3/8", 54.5#, K-55 casing @ 76'. Cemented to surface in 17-1/2" hole w/ 2.2 yards of ready mix cement. Note: casing size, weight and grade, hole size and cement volumes are estimated – taken from the drilling prognosis.

TD: 76'

Plan of Procedure:

- 1. Obtain verbal approval from BLM and State authorities to commence P&A operations. Note details of verbal approval on daily report.
- 2. RU cementing equipment. GIH w/ 1" tubing to TD @ 76'. Mix and pump 65 sx cement (Class G 1.15 cu.ft./sx) to spot a 76' cement plug from the surface to TD. RDMO cementing equipment. .
- 3. Cut off casing 3' below ground level. Top off cement back to top of csg. stub. Weld on and install dryhole marker per State of Utah specs (attached), clean and reclaim location.

UNITED STATES DEPARTMENT THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an

FORM A	PPROVED
OMB No.	1004-0135

01111		1004	01.	,,	
Evniree	Nove	mhar	20	2000	

	Lease	Serial	No.
--	-------	--------	-----

U-66421

If Indian	Allottee	or Tribe	Name

abandoned well. Use Form 3160-3 (APD) for such proposal	s.		
SUBMIT IN TRIPLICATE - Other Instructions on reverse sid	e 11. 7	7. If Unit or CA/Agreement, Name and/or No.	
Oil Well X Gas Well Other	8	8. Well Name and No.	
2. Name of Operator		Federal H 34-30	
DOMINION EXPLORATION & PRODUCTION, INC.	9	9. API Well No.	
3a. Address Suite 600 3b. Phone No. (inc.	lude area code)	43-047-33263	
14000 QUAIL SPGS PKWY, OKLA CITY, OK 73134 405-749-13 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	00 1	10. Field and Pool, or Exploratory Area	
2000 and of Well (1 60 ange, 500., 1., K., M., of Survey Description)		Natural Buttes	
500/50/ 0 000/50/50/50/50/50/50/50/50/50/50/50/50/	1	11. County or Parish, State	
592' FSL & 2089' FEL, (SE SW) Sec. 30-10S-24E		Uintah	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF	NOTICE, REPOR		
	PE OF ACTION		·
X Notice of Intent Acidize Deepen	Production (Star	rt/Resume) Water Shut-Off	
Altering Casing Fracture Treat	Reclamation	Well Integrity	
Subsequent Report Casing Repair New Construction	Recomplete	Other	
Final Abandonment Notice Change Plans Plug and Abandon Convert to Injection Plug Back	Temporarily Aba		
Final Abandonment Notice Convert to Injection Plug Back Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details, including estimated by the proposed or Completed Operation (clearly state all pertinent details).	Water Disposal		
If the proposal is to deepen directionally or recomplete horizontally, give subsurface location. Attach, the Bond under which the work will be performed or provide the Bond No. on file with following completion of the involved operations. If the operation results in a multiple completit testing has been completed. Final Abandonment Notices shall be filed only after all require determined that the site is ready for final inspection.) There has been no activity on the above reference well. Well is so	n BLM/BIARequired on or recompletion. in a ments, including reclar	d subsequent reports shall be, filed within, 30 days a new, interval, a Form, 3160-4 shall be, filed once mation, have been completed, and the operator has	
The second desires, on the above voicionide well. Well to se	ricadica for Fa	on by Iviay 1, 2000.	
14. I hereby certify that the foregoing is true and correct Name (PrintedTyped)			
Carla Christian	Title	Sr. Regulatory Specialist	
Signature (Wa Wustian	Date	3/03/2006	
THIS SPACE FOR FEDERAL OR STA	TE OFFICE U		
Approved by	Title	Date	
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

MAR 0 6 2006

Form 3160-5 (August, 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: November 30, 20

5. Lease Serial No.

SUNDKI NUTICES AND REPURIS ON WELLS		U-66421	
Do not use this form for proposals to drill or to re-enter a		6. If Indian, Allottee or Tribe	Name
abandoned well. Use Form 3160-3 (APD) for such proposa	ls.		
SERGLO CHINE ON RUIO WAN ACCOMUNICA	Ø.	7. If Unit or CA/Agreement, N	arne and/or No.
1. Type of Well	a . Andrewski spilosof a single of a		
Oil Well X Gas Well Other		8. Well Name and No.	
2. Name of Operator		Fodoral H 24 20	
DOLUMNON TWO OF A THE OWNER OWNER OF A THE OWNER OW		Federal H 34-30 9. API Well No.	
DOMINION EXPLORATION & PRODUCTION, INC. 3a. Address Suite 600 (2) Phone No. (2)			
3a. Address Suite 600 3b. Phone No. (in 405-749-1) 14000 QUAIL SPGS PKWY, OKLA CITY, OK 73134 405-749-1	•	43-047-33263 10. Field and Pool, or Explorat	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	000	To. Field and Fool, of Explorat	ory Area
		Natural Buttes	
		11. County or Parish, State	
592' FSL & 2089' FEL, (SE SW) Sec. 30-10S-24E			
12 CHECK ADDRODDIATE DOWNER TO PURCHES AND THE		Uintah	
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF	NOTICE, RE	PORT OR OTHER DATA	
TYPE OF SUBMISSION TY	PE OF ACTIO	ON	
Notice of Intent Acidize Deepen	Production	(Start/Resume) Water Sho	ut-Off
Altering Casing Fracture Treat	Reclamatio	on Well Integ	rity
X Subsequent Report Casing Repair New Construction	Recomplete	e Other	
Change Plans X Plug and Abandon			
Final Abandonment Notice Convert to Injection Plug Back	Water Disp	osal	
Attach the Bond under which the work will be performed or provide the Bond No. on file wit following completion of the involved operations. If the operation results in a multiple complete testing has been completed. Final Abandonment Notices shall be filed only after all require determined that the site is ready for final inspection.) 5/15/06 Pumped 65 sks Class "G" Neat cmt dwn 13 3/8", 54.5#, it cut off csg. 3' below surface, attached marker. Witnessed by BLI	ion or recompletion ements, including r <-55 csg. to 7	n in a new interval, a Form 3160- eclamation, have been completed a	I shall be filed once and the operator has
4. I hereby certify that the foregoing is true and correct			
Name (PrintedTyped) Carla Christian	Title	Sr. Regulatory Specia	slict
Signature Could Unistian	Date	5/31/2006	iiiət
DASSIACE INSERTIONAL ORBITA	TO COUNTY		
	The state of the s	managa sa sa a mara gama sa da managan da t	
pproved by	Title		Date
onditions of approval, if any, are attached. Approval of this notice does not warrant or ertify that the applicant holds legal or equitable title to those rights in the subject lease nich would entitle the applicant to conduct operations thereon.	Office		

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the

United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

JUN 0 5 2006

Form 3160-4 (August 1999)

ee instructions and spaces for additional data on reverse side)

UNITED STATES
DEPARTMENT CONTHE INTERIOR
BUREAU OF LOMANAGEMENT

FORM APPROVED OMB NO. 1004-0137

Expires: November 30, 2000

	\A/E1		ETION OD	DECOMP	ETION DEDO	DT AND LOO			 	
	AAEI	L COMPL	EHUNUR	RECOMPL	ETION REPO	RI AND LOG		5. Lease Ser	ial No.	
									U-66421	
ta. Type o b. Type o	f Well f Completion:	Oil Well O	Gas Well X Work	· —		iff.Resvr.		6. If Indian, A	Illottee or Tribe N	ame
		Other						7. Unit or CA	Agreement Nam	e and No.
	of Operator							8. Lease Nar	ne and Well No.	
Domi	nion Explora	tion & Produ	ction, Inc.					<i>'</i>	Federal H 34	I-30
Addres						a. Phone No. (include	area code)	9. API Well N	lo.	
14	000 Quail Sp	orings Parkw	ay - Ste. 600) - Okla. City	, OK 73134	405-749-13	000	1	43-047-3326	3
4. Locatio	n of Well (Repo	rt location clearly	and in accorda	nce with Federa	requirements)*		****	10. Field and F	ool, or Explorato	y
At surfa	ace							11 Sec T R	,M., or Block and	
At top p	orod. Interval rep	oorted below 32' FSL & 20	RO' FFI					Survey or A	^{Area} 30-1	0S-24E
At total		72 1 OL & 20	03 I LL					12. County or I Uintah	Parish 13.	State
4. Date S	pudded	15. Date T	.D. Reached	16. D	ate Completed	·····		· · · · · · · · · · · · · · · · · · ·	(DF, RKB, RT, G	UT
4/21	/2001				X	Ready to prod.	15/2006	17. Lievations	5,313'	-)
8. Total D	epth: MD	76'	19. Plug Back	T.D.: MD		20. Depth Bridg		MD	*****	
	TVD			TVD				TVD		
21. Type E	lectric & Other M	lechanical Logs	Run (Submit cop	py of each)		22. Was well cored? Was DST run?	P No	200000	•	
						Directional Surv	- Manuali -	No Late		nit copy)
3. Casing	and Liner Recor	d (Report all stri	ng set in well)			2.700ao,iai Guit		L. Pro	Yes (Subm	ін сору)
Hole Size	Size/Grade	Wt.(#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top	* Amou	nt Pulled
7 1/2"	13 3/8"	54.5#	Surface	76'		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(===)	Circ.		
				·	<u> </u>					
					 					
		-								
4. Tubing			·					<u> </u>		
Size	Depth Set (MD) Pack	er Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD) Size	Depth Se	t(MD) Packe	r Depth (MD)
5. Produci	ng Intervals	L:		L	26. Perforation Red	l				
	Formation		Тор	Bottom		ed Interval	Size	No. Holes	Perf.Stat	
)	~								7 011.044	
)										
)										
7. Acid. Fr	acture Treatme	nt, Cement Sque	eze Etc	<u> </u>						
	Depth Interval	ni, coment eque	ozo, Eto.			Amount and Type of	f Material			
·										
3. Producti	on - Interval A							*		
ate First	Test	Hours	Test	Oil Gas		Oil Gravity	Gas	Production Me	thod	
oduced	Date	Tested	Production	BBL MC	F BBL	Corr. API	Gravity			
noke ze	Tbg.Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil Gas BBL MCI		Gas:Oil Ratio	Well Status	<u> </u>		
	SI		→							
a. Prod ite First	luction - Interval	B Hours	Test	Oil Io	Dari	1010				
oduced	Date	Tested		Oil Gas BBL MCI		Oil Gravity Corr. API	Gas Gravity	Production Me	thod	
oke	Tbg.Press.	Csg.	24 Hr.	Oil Gas		Gas:Oil	Well Status	1 10, 1-	FIVED	
e	Flwg.	Press.	Rate	BBL MC	I I RRI	Patio	l l	garri gran f	. p- : \ / 1 - ! \	

JUN 1 6 2006

201 0 1									<u>></u>		
	uction - Interva				10						
Date First Produced	Test Date	Hours Tested	Test Production	BBL	Gas MCF	Water BBL		Gravity : API	Gravity	Production Method	
Choke	Tbg.Press	c. Csg.	24 Hr.	Oil	Gas	Water	Gas	· () ii	Well Status		
Size	Flwg. Si	Press.	Rate	BBL	MCF	BBL	Ratio		vveii Status		
200 Dead	uction - Interva	15		<u> </u>	L						
28c. Produ Date First	Test	Hours	Test	Oil	Gas	Water	Toil o	Gravity	Gas	Production Method	
Produced	Date	Tested	Production	BBL	MCF	BBL		. API	Gravity	Production Method	
Choke	Tbg.Press	. Csg.	24 Hr.	Oil	Gas	Water	Gas	Oil	Well Status		
Size	Flwg. SI	Press.	Rate	BBL	MCF	BBL	Ratio	0			
29. Dispostic	on of Gas (So	old, used for fu	el, vented, etc.)				······································				
30. Summar	y of Porous 2	Zones (Include	Aquifers):					31. Fom	nation (Log) Mark	ers	
Show all tests, inc and reco	luding depth	ones of porosity interval tested	and contents there, cushion used, time	of: Cored tool open	intervals and a , flowing and s	all drill-stem hut-in pressures					
Forma	ation	Тор	Bottom		Descritpion,	, Contents, etc.			Name		Тор
			·	1							Meas. Depth
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·	<u> </u>										
2. Additiona	l remarks (in	clude plugging	procedure)								
		orace progging	procedurey								
5/15/06	8 Pumped	65 sks Cla	ss "G" Neat cm	t dwn 13	3 3/8" 54 5	# K-55 csa	to 76' I	Filled to	n surface w/1	2 bbls slurry, cu	t off oom
3' helov	v surface	attached m	narker. Witnes	end by F	Notes to	m, re-oo csg. i	10 70. 1	mea u	o surrace w/ i.	2 DDIS SIUTTY, CU	t on csg.
0 20101	v odridoc,	allacirea ii	iaikei. Villies	sed by L	civi iep, so	mining Dowers	•				
										 	
Circle end	closed attach	ments:									
1 Flort	rical/Mechani	ical Logs (1 full	set ren'd)	2.0	Seologic Repor	+ ^	ner p	ort	4 Dina - **	Commen	
		• •	• ,	2. 4	eologic Repoi	3.	DST Rep	ort	Directional	Survey	
5. Sundi	ry Notice for	plugging and c	ement verification	6. C	ore Analysis	7.	Other:				
4	- 456 - 41 4 41										
+. Thereby C	ertity that the	e ioregoing and	attached informatio	n is compl	ete and correc	t as determined t	rom all av	ailable re	ecords (see attach	ned instructions)*	
Name (ple	ease print)	Carla	Christian 🔍				Title	Sr. I	Regulatory S _l	oecialist	
•		1	1.	A.					<u> </u>		···
Signature		MO	Maria	ha	~		Date	June	14, 2006		
÷		<u> </u>							, 2000	· · · · · · · · · · · · · · · · · · ·	
tle 18 U.S.C	Section 100	01 and Title 43	U.S.C. Section 121:	2, make it	a crime for any	person knowing	ly and will	fully to m	ake to any depart	tment or agency of th	e United States
ny raise, fictit	lious or fradu	nent statements	or representations	as to any	matter within it	s jurisdiction.			• •	J,	
											U.S. GPO: 1999-573-624
										•	5.5. G. G. 1999-073-024

FORM APPROVED OMB No. 1004-0137 Expires March 31, 2007

United States			I		
DEPARTMENT OF THE IN	5. Lease Serial No. UTU-66421				
BUREAU OF LAND MANA	BUREAU OF LAND MANAGEMENT				1
APPLICATION FOR PERMIT TO D	RILL OR REENTER		6. If Indian, Allotee of	r Tribe N	iame
			NA		
la. Type of work: DRILL REENTER	R		7. If Unit or CA Agree NA	ment, Na	me and No.
lb. Type of Well: Oil Well Gas Well Other	Single Zone Multip	le Zone	8. Lease Name and W Federal H 34-3		
Name of Operator Summit Operating LLC			9. API Well No. 43-047	-33	3763
3a. Address P.O. Box 683909 Park City UT, 84068	b. Phone No. (include area code)		10. Field and Pool, or E	xplorator	у
	435-940-9001		Natural Buttes		
4. Location of Well (Report location clearly and in accordance with carry	State requirements.*)		11. Sec., T. R. M. or Bl	k.and Su	rvey or Area
At surface 1.40 13 7592' FSL & 2.088' FEL SW 1/4	49	Sec. 30, T10S. R24E			
14. Distance in miles and direction from nearest town or post office*			12. County or Parish		13. State
Approximately 65.8 miles in a southeasterly direction from	n Vernal UT		Uintah	····	UT
location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)	16. No. of acres in lease 2,240 Acres	17. Spacin	g Unit dedicated to this veres	vell	
18. Distance from proposed location*	19. Proposed Depth	20. BLM/	BIA Bond No. on file		
to nearest well, drilling, completed, applied for, on this lease, ft. 1,600'	7,100'			3-000014	
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22 Approximate date work will sta	rt*	23. Estimated duration		
5,312 GR	12/01/2006		30 Days		
	24. Attachments				
The following, completed in accordance with the requirements of Onshor		ttached to the	nis form:		
Well plat certified by a registered surveyor. A Drilling Plan.	the operation	ons unless covered by an	existing	bond on file (see	
3. A Surface Use Plan (if the location is on National Forest System					
SUPO must be filed with the appropriate Forest Service Office).	specific inf	formation and/or plans as	s may be	required by the	
25. Signature	Name (Printed/Typed)			Date	
Aurose Stringham	Ginger Stringham		·	10	/30/2006
Title Agent Agent					
Approved by (Stenature)	Name (Printed/Typed) BRADLEY (G. HIL	L	Date	21-010
Title	OffENVIRONMENTAL		ER	<u> </u>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached.

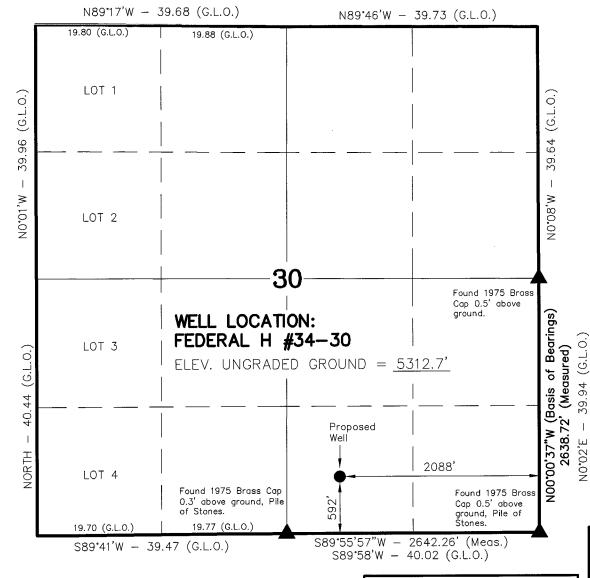
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false. Fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Federal Approval of this Action is Necessary

> **RECEIVED** OCT 3 1 2006

T10S, R24E, S.L.B.&M.



▲ = SECTION CORNERS LOCATED

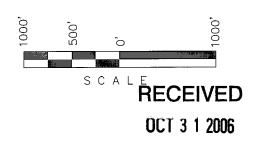
BASIS OF ELEVATION IS BENCH MARK 87 EAM 1965 LOCATED IN THE SE 1/4 SW 1/4 OF SECTION 1, T12S, R23E, S.L.B.&M. THE ELEVATION OF THIS BENCH MARK IS SHOWN ON THE ARCHY BENCH SE 7.5 MIN. QUADRANGLE AS BEING 5887'.

FEDERAL H #34-30 (Proposed Well Head) NAD 83 Autonomous

LATITUDE = 39° 54′ 51.70″ LONGITUDE = 109° 15′ 17.23″

SUMMIT OPERATING, LLC

WELL LOCATION, FEDERAL H #34-30, LOCATED AS SHOWN IN THE SW 1/4 SE 1/4 OF SECTION 30, T10S, R24E, S.L.B.&M UINTAH COUNTY, UTAH.



NOTES:

DIV. OF OIL, GAS & MINING

- 1. Well footages are measured at right angles to the Section Lines.
- Bearings are based on Global Positioning Satellite observations.

THIS IS TO CERTIFY THAT THE BOYE PLAT WAS PREPARED FROM FIELD ROTE BAND ABJUAL SURVEYS MADE BY ME OR UNDER MY SUPER STON AND THAT THE SAME ARE TRUE AND CORRECT 40 THE BEST OF MY KNOWLEDGE AND BEZING 362251

REGISTRATED LAND SURVINOR REGISTRATE OF PRACTICAL CONTROL OF CONTR

TIMBERLINE LAND SURVEYING, INC.

38 WEST 100 NORTH. - VERNAL, UTAH 84078 (435) 789-1365

,	,	
DATE SURVEYED: 10-26-06	SURVEYED BY: B.J.S.	SHEET
DATE DRAWN: 10-27-06	DRAWN BY: M.W.W.	2
SCALE: 1" = 1000'	Date Last Revised:	OF 10

RM 3160-5	. UNITED	STATES	FORM APPROVED
ine 1990)	DEPARTMENT O	F THE INTERIOR	Budget Bureau No. 1004-0135
•	BUREAU OF 🦲	D MANAGEMENT	Expires: March 31, 1993
			5. Lease Designation and Serial No.
	SUNDRY NOTICES AND REPOR	TS ON WELLS	UTU-66421
Do not use	e this form for proposals to drill or to d	eepen or reenter a different reservoir.	6. If Indian, Allottee or Tribe Name
	Use "APPLICATION FOR PERMI		NA
			7. If Unit or CA, Agreement Designation
	SUBMIT IN TRI	PLICATE	NA NA
Type of Well		LIOAIL	-
type of wen	'		8. Well Name and No.
UII	Gas		c. Well Hame and No.
Well	X Well Other		Federal H #34-30
			9. API Well No.
Name of Ope			43-047-33263
	Summit Operating, LLC		10. Field and Pool, or Exploratory Area
	Telephone No.	VF 040 0000	Natural Buttes
	OX 683909 Park City, UT 84068 43		11. County or Parish, State
	Vell (Footage, Sec., T., R., M., or Survey D & 2089' FEL Sec. 30, T10S, R24E	escription)	
392 F3L 6	x 2009 FEL Sec. 30, 1103, R24E		Uintah Utah
2.	CHECK APPROPRIATE BO	X(es) TO INDICATE NATURE OF NOTI	CE REPORT OR OTHER DATA
TO 1 TO 1 TO 1 TO 1 TO 1 TO 1 TO 1 TO 1	YPE OF SUBMISSION		E OF ACTION
	X Notice of Intent	Abandonment	Change of Plans
	- Income of the	Recompletion	New Construction
	Subsequent Report	Plugging Back	Non-Routine Fracturing
		Casing Repair	Water Shut-Off
	Final Abandonment Notice	Altering Casing	Conversion to Injection
		X Other Change of Operator	Dispose Water
		(Note: Report results of multiple of	completion on Well
		Completion or Recompletion Rep	
3. Describe Pr	roposed or Completed Operations (Clearly	state all pertinent details, and give pertinent	dates, including estimated date of starting any proposed v
		nd measured and true vertical depths for all r	·
Summe	perating excepts operatorship of the	ne subject well effective as of Octobe	er 30, 2006 at midnight.
Cingo	r Stringhom		
-	r Stringham		
	OX 790203		
	I, UT 84079		
435-78	89-4162		
4 1 1			
4. I hereby	certify that the foregoing is true an	nd correct	
Signed	Other This	Title Agent	Date 10/30/06
(This snace	for Federal or State office use)		
Approved by		Title	Date
	y of approval, if any:	1100	
Title 18 U.S.C	C. Section 1001, makes it a crime for any person k	nowingly and willfully to make to any department or a	gency of the United States andy false, fictitious or fraudulent
statements or	representations as to any mater within its jurisdict	tion.	
		*See Instructions on Reverse Sid	de RECEIVED

October 30, 2006

Paradigm Consulting PO BOX 790203 Vernal, UT 84079

BLM, Vernal Field Office 170 S 500 E Vernal, UT 84078

RE: Summit Operating, LLC UTU-66421 Federal H #34-30

Dear Sir or Madam:

Summit Operating, LLC respectfully requests a lease suspension due to lack of rig availability. The lease for the subject well is due to expire December 18, 2006.

If you have any further questions or concerns, please feel free to contact me at 435-789-4162.

Best regards,

Ginger Stringham

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Ten Point Plan

Summit Operating LLC

Federal H #34-30

Surface Location SW 1/4 SE 1/4,

Section 30, T10S. R24E.

RECEIVED OCT 3 1 2006

DIV. OF OIL, GAS & MINING

1. Surface Formation Green River

2. Estimated Formation Tops and Datum:

Formation		Depth	Subsea
Green River		Surface	+5,312'G.R.
Wasatch	Oil/Gas	2,580'	+2,732'
Mesa Verde	Oil/Gas	4,480'	+ 832'
Mancos	Oil/Gas	6,300'	- 988'
TD		7,100'	-1,788'

All fresh water prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Producing Formation Depth:

Objective Formations include the Wasatch 2,580'- 4,480', Mesa Verde 4,480'-6,300' and the Mancos 6,300'-7,100'.

4. Proposed Casing:

Hole	Casing		Coupling	Casing	
<u>Size</u>	<u>Size</u>	Weight/FT	& Tread	<u>Depth</u>	New/Used
17 1/4	13 3/8	61#	ST&C	300'	NEW
12 1/4	8 5/8	24#	ST&C	2,500'	NEW
7 7/8	$4^{1/2}$	11.6#	LT&C	7,100'	NEW

Cement Program:

Conductor casing #1 will be cemented as follows from 0'-40':

Note: Cement Volume = Gauge hole + 50%

	Casing Size	Cement Type	Cement Amounts	Cement Yield	Water <u>Mix</u>	Cement Weight
Lead:	13 3/8"	Class "G"	360 sks +/-	1.18ft³/sk	5	15.6 ppg

The Surface Casing will be cemented as follows from 0'- 2,500':

Cement volume = Gauge hole + 50%

	Casing <u>Size</u>	Cement <u>Type</u>	Cement Amounts	Cement <u>Yield</u>	Water <u>Mix</u>	Cement Weight
Lead:						
	8 5/8"	Premium "5" 16% Gel 10#/sk Gilsonite 3% Salt 3#/sk GB3 0.25#/sk Flocele	700 sks. +/-	3.82ft³/sk	23	11.0 ppg

Production casing will be cemented as follows from 2,380'- 7,100:

Note: Lead should be 200' above the Wasatch.

Cement volume = Gauge hole + 25%

	Casing <u>Size</u>	Cement Type	Cement Amounts	Cement <u>Yield</u>	Water <u>Mix</u>	Cement Weight
Lead:	4 ½"	Premium "5"	920 sks. +/-	3.82ft³/sk	23	11.0 ppg
		16% Gel 10#/sk Gilsonite 3% Salt 3#/sk GB3 0.25#/sk flocele			•	

5. BOP and Pressure Containment Data:

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. An upper kelly cock to the required pressure rating with a handle available shall be employed.

The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

Interval	Mud weight lbs./gal.	Viscosity Sec./OT.	Fluid Loss Ml/30 Mins	. Mud Type
0-2,300 2,300-T.D.	Air/Clear Water 8.4-12.0	30-45	No Control 8-10	Water/Gel LSND water based mud system

Note: Mud weights may exceed 12.0 due to solids increasing at or near T.D. Increased weights are not required to control formation pressure. Operator will have on location sufficient mud and weight material to increase mud weight to 12.0 at any time while drilling the subject well. Visual mud monitoring incorporating pit level indicators shall be used.

7. Testing, Coring, Sampling and Logging:

DST: a)

None are anticipated.

b) Coring: There is the possibility of sidewall coring.

c)

Mud Sampling: Every 10' from 2,300' to T.D.

d) Logging: Type

Interval

DLL/SFL W/GR and SP

T.D. to Surf. Csg

FDC/CNL W/GR and CAL T.D. to Surf. Csg

8. Abnormalities (including sour gas)

Anticipated bottom hole pressure will be less than 3000 psi. No abnormal pressures, temperatures or other hazards are anticipated. Other wells drilled in the area have not encountered over pressured zones or H2S.

9. Other facets of the proposed operation:

Off set well information:

Producing Wells:

Shut in Wells:

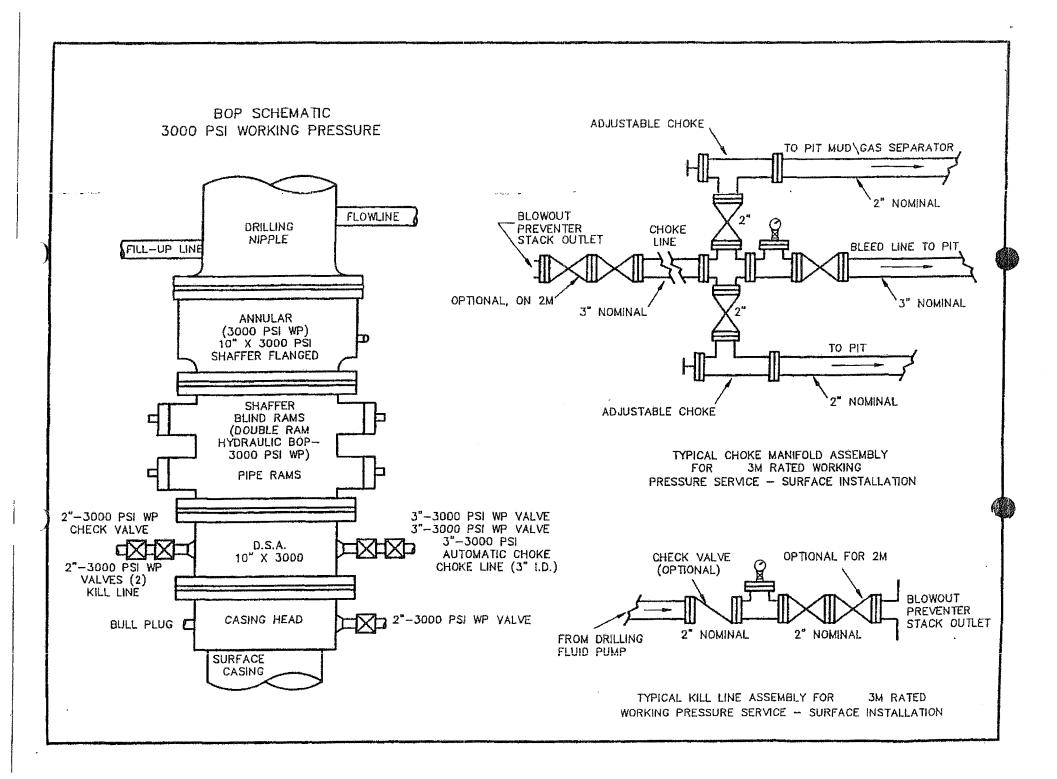
FED H 21-31

FED H 14-30

FED H 12-30

10. Drilling Schedule:

The anticipated starting date is upon approval. Duration of operations is expected to be 30 days.



SUMMIT OPERATING LLC

13 POINT SURFACE USE PLAN

FOR WELL

FEDERAL H 34-30

LOCATED IN SW 1/4 SE 1/4

SECTION 30, T.10S, R24E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: UTU-66421

SURFACE OWNERSHIP: FEDERAL

RECEIVED OCT 3 1 2006

1. Existing Roads:

Summit Operating, LLC Federal H #34-30 Section 30, T10S, R 24E

Starting in Vernal, Utah: Proceed in an easterly, then southerly direction from Vernal, Utah along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45; exit right and proceed in a southerly direction along State Highway 45 approximately 40.5 miles to the junction of the Dragon Road (County B Road 4180). This road is located approximately 4.5 miles south of Bonanza, Utah. Exit left and proceed in a southeasterly direction along County B road 4180 approximately 4.0 miles to the junction of the Kings Well Road (County B road 4190). Exit right and proceed in a southwesterly direction along County B road 4190 approximately 8.1 miles tot eh intersection of the East Fork Asphalt Wash Road (County road 4250); Exit right and proceed in a northeasterly direction along County B road 4250 approximately 5.8 miles to the intersection of the Asphalt Wash Road (County B road 4160); Exit right and proceed along county B road 4160 in a northerly direction approximately 3.0 miles to the intersection of county B road 4170; Exit right and proceed in a southeasterly direction along county B road 4170 approximately 1.0 miles to the intersection of a service road in a southwesterly

direction approximately 0.1 miles to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 65.8 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 528' of new construction on lease. The road will be graded once per year minimum and maintained.

A) Approximate length	528 ft
B) Right of Way width	30 ft
C) Running surface	18 ft
D) Surface material	Native soil
E) Maximum grade	8%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface	ownership
·	Federal
L) All new construction	n on lease
·	Ves

M) Pipe line crossing None

Please see the attached location plat for additional details.

An off lease right-of-way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

A) Producing well Fed H 12-30 Fed H 21-31

B) Water well None

C) Abandoned well Southman Canyon U 6 Fed H 34-31

D) Temp. abandoned well None

E) Disposal well None

F) Drilling /Permitted well None

G) Shut in wells Fed H 14-30

H) Injection well None

I) Monitoring or observation well

None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Olive Black** color. Facilities required to comply with

O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Olive Black.**

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 CFR 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval form the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 2,450° of 3" steel surface gas gathering line would be constructed on Federal Lands. The line is proposed as surface due to topography, sensitive soils and bedrock sandstone. The line will tie into a pipeline for the Federal 21-31 in Section 31, T10S, R24E. The pipeline would be strung and boomed to the southwest of the location. A 15' permanent right-of-way will be required and a 30' right-of-way will be necessary during construction for one week.

An off lease right-of-way will be required for approximately 1950'.

Please see the attached location diagrams for pipeline location.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meterproving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah, Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from The White River Permit # T-75872. Approximately 1.3 acre feet of water will be used for the subject well.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **10 ft**. deep and most of the depth shall be below the surface of the existing ground Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit or, if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. Evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping system would be used for evaporation.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

A) Pad length	325 ft.
B) Pad width	155 ft.
C) Pit depth	10 ft.
D) Pit length	190 ft.
E) Pit width	60 ft.
F) Max cut	26.4 ft.
G) Max fill	14.5 ft.
H) Total cut yds.	8,560 cu yds
I) Pit location	West end

J) Top soil location

South end

K) Access road location

North end L) Flare Pit Corner B

(The reserve pit calculations reflect a 10' wide bench around the exterior of the pit.)

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at leas 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 1,160 cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be recontoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled.

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Interim Seed Mix

4#/acre Indian Rice Grass 4#/acre Crested Wheat Grass 4#/acre Needle & Thread Grass

11. Surface ownership:

Access road Federal Location Federal Pipe line Federal

12. Other information:

A) Vegetation

The vegetation coverage is slight. The majority of the existing vegetation consists of non-native species. Rabbit brush, bitter brush, and Indian Rice grass and Sagebrush are also found on the location.

B) Dwellings:

There are no dwellings or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is the White River located 3 miles +/- to the North.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction At least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion prior to moving on the drilling rig.
- c) Spud notice At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
 At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice Within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner B** of the reserve pit out side the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

- 13. Lessees or Operator's representative and certification
 - A) Representative

Ginger Stringham Paradigm Consulting PO BOX 790203 Vernal, UT 84079

Office 435-789-04162 Fax 435-789-8188 Cellular 435-790-4163

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation

proposed herein will be preformed by Summit Operating, LLC and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for filing of a false statement.

Onsite Dates:

Self Certification Statement

The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that The Houston Exploration Company is considered to be the operator of the following well:

Federal H #34-30 Section 30, T. 10S, R. 24E SW ¼ of the SE ¼ Lease UTU-66421 Uintah County, Utah

The Summit Operating, LLC is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond UTB-000014 provides state-wide bond coverage on all Federal Lands.

Ginger Stringham, Agent

Paradigm Consulting

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals Subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 cfr 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

Ginger Stringham Summit Operating, LLC Paradigm Consulting, INC PO BOX 790203 Vernal, UT 84079

435-789-4162 Office 435-789-8188 Fax

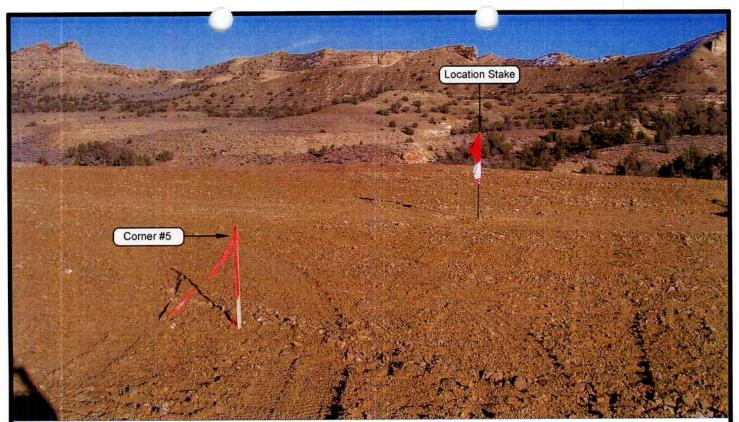


PHOTO VIEW: FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

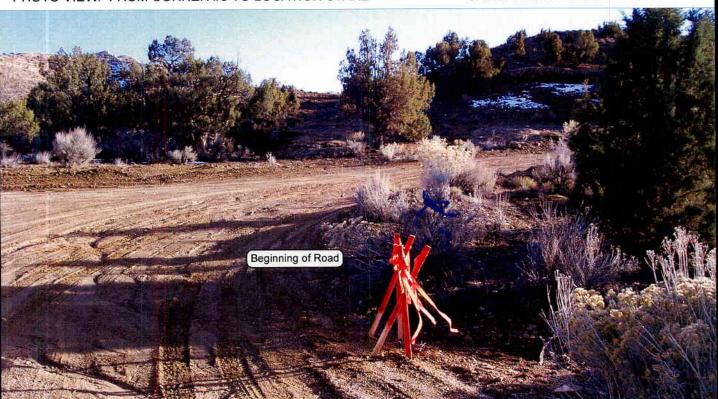


PHOTO VIEW: FROM BEGINNING OF ACCESS ROAD

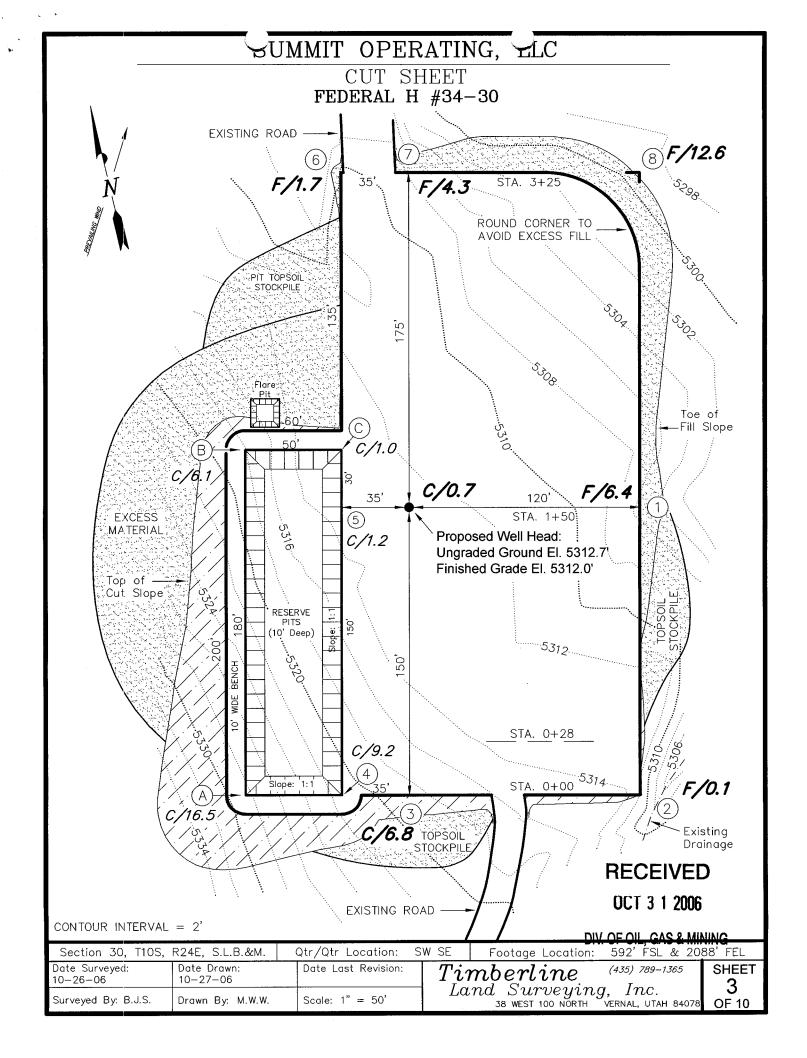
SUMMIT OPERATING, LLC

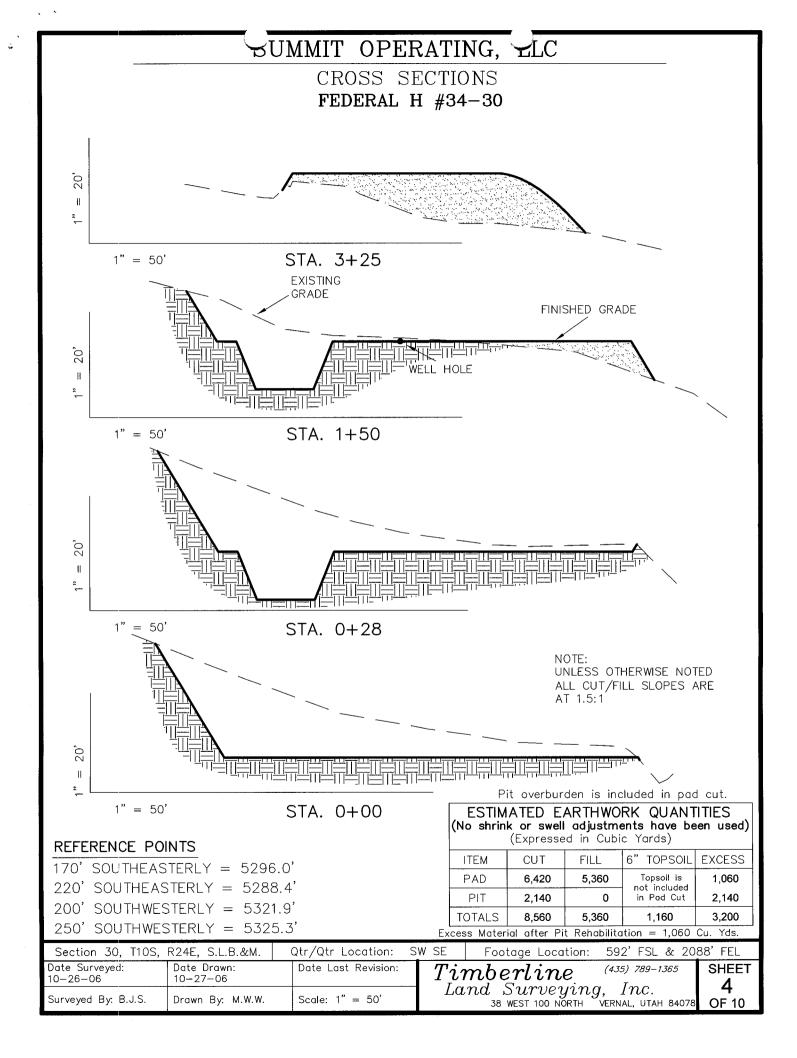
FEDERAL H #34-30 SECTION 30, T10S, R24E, S.L.B.&M. 592' FSL & 2088' FEL CAMERA ANGLE: SOUTHWESTERLY

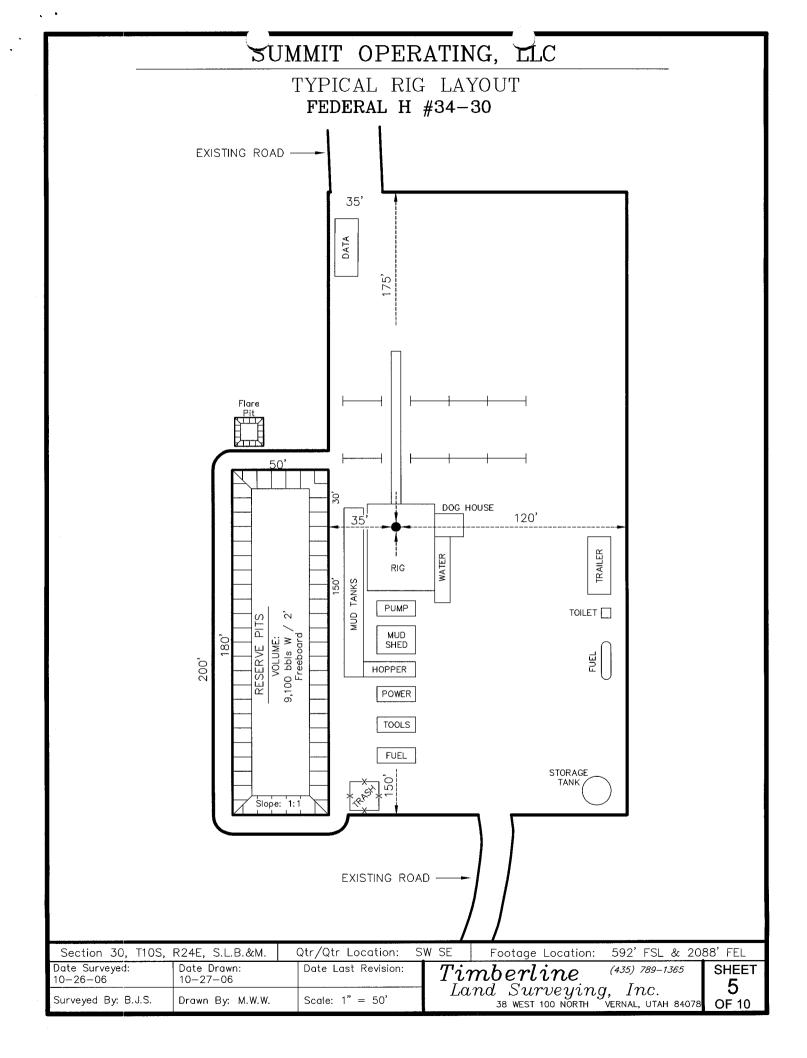
LOCATION PHOTOS		DATE TAKEN: 10-26-06	
LOCATION	1110105	DATE DRAWN: 10-27-06	
TAKEN BY: B.J.S.	DRAWN BY: M.W.W.	REVISED:	

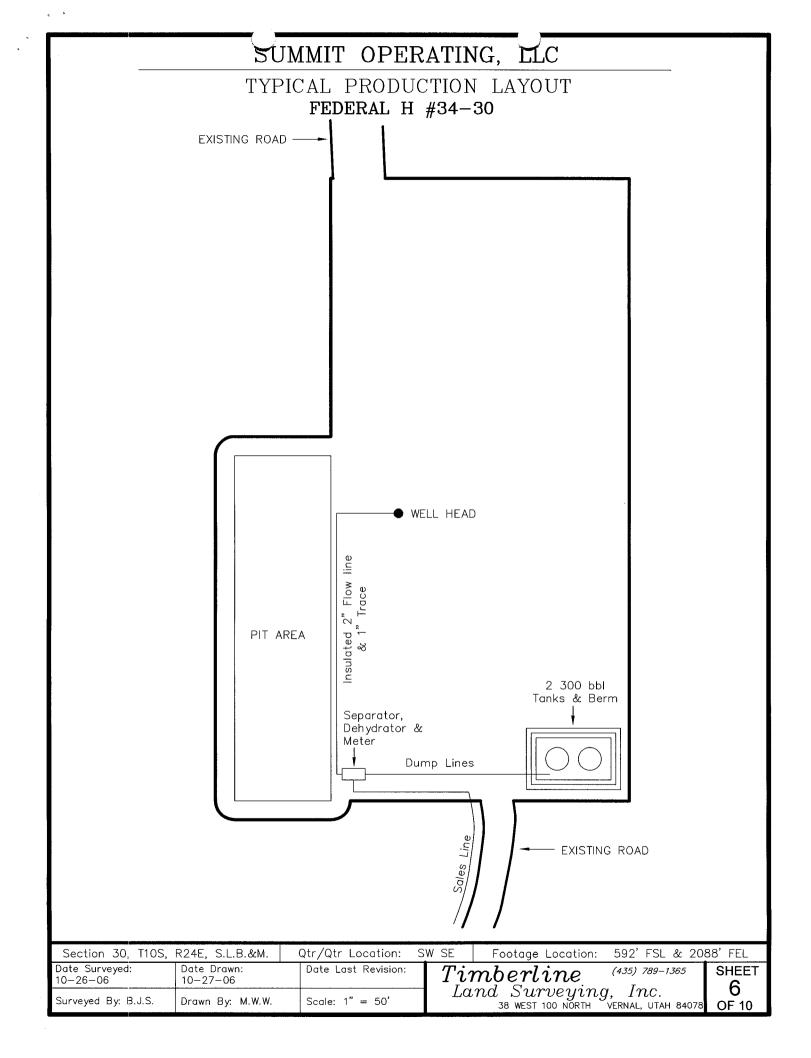
Timberline Land Surveying, Inc.
38 West 100 North Vernal, Utah 84078
(435) 789-1365

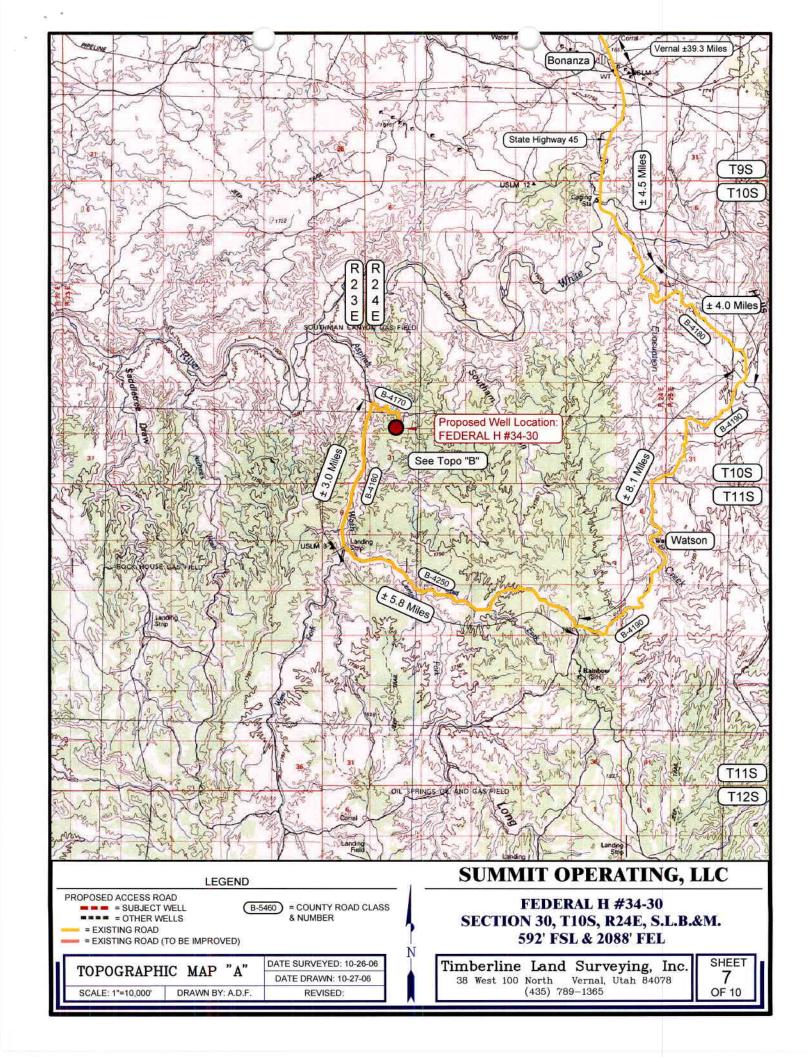
SHEET 1 OF 10

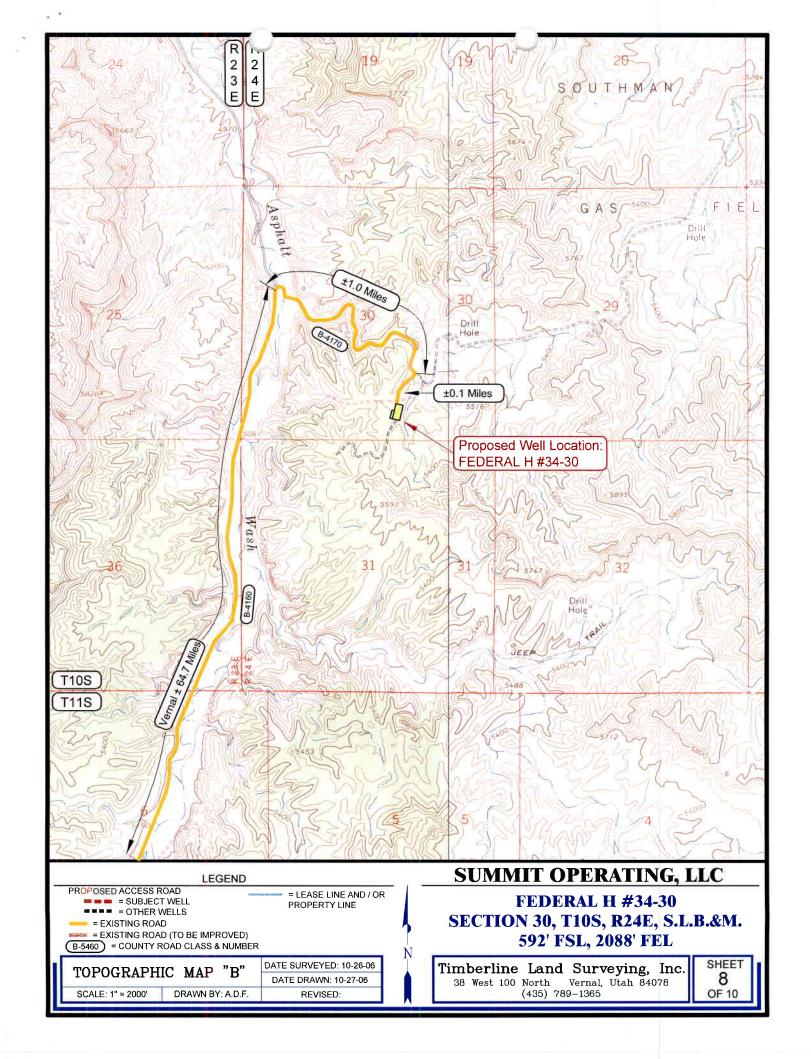


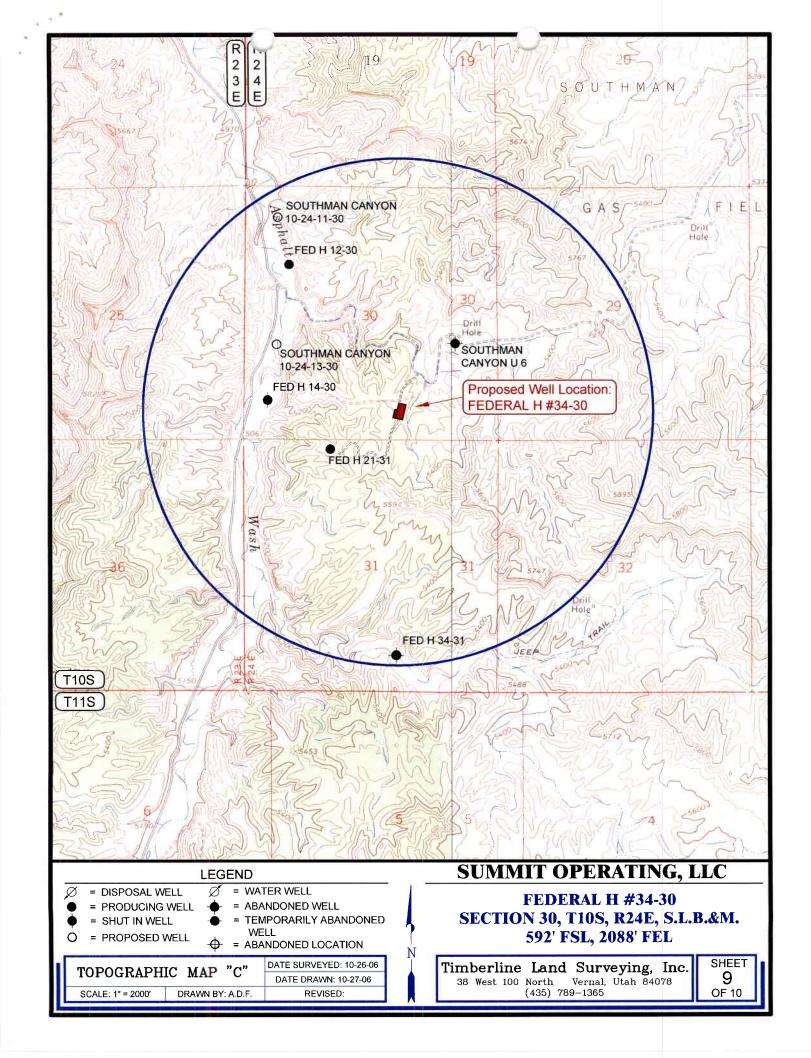


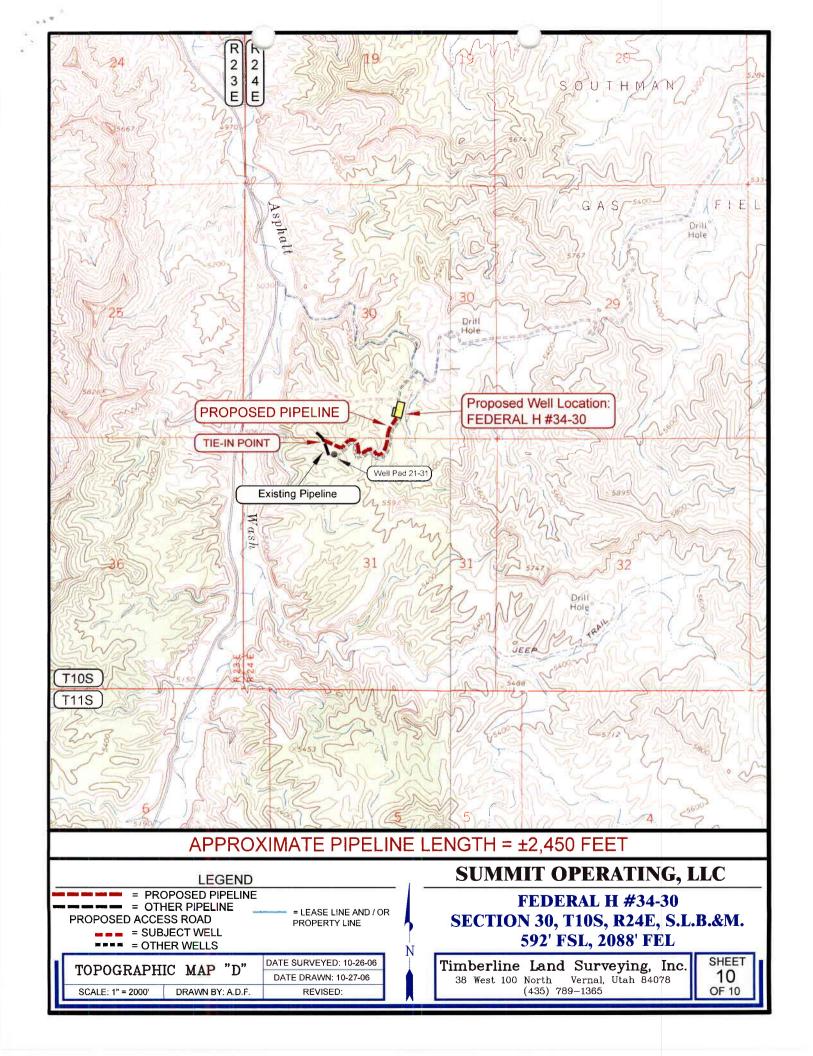






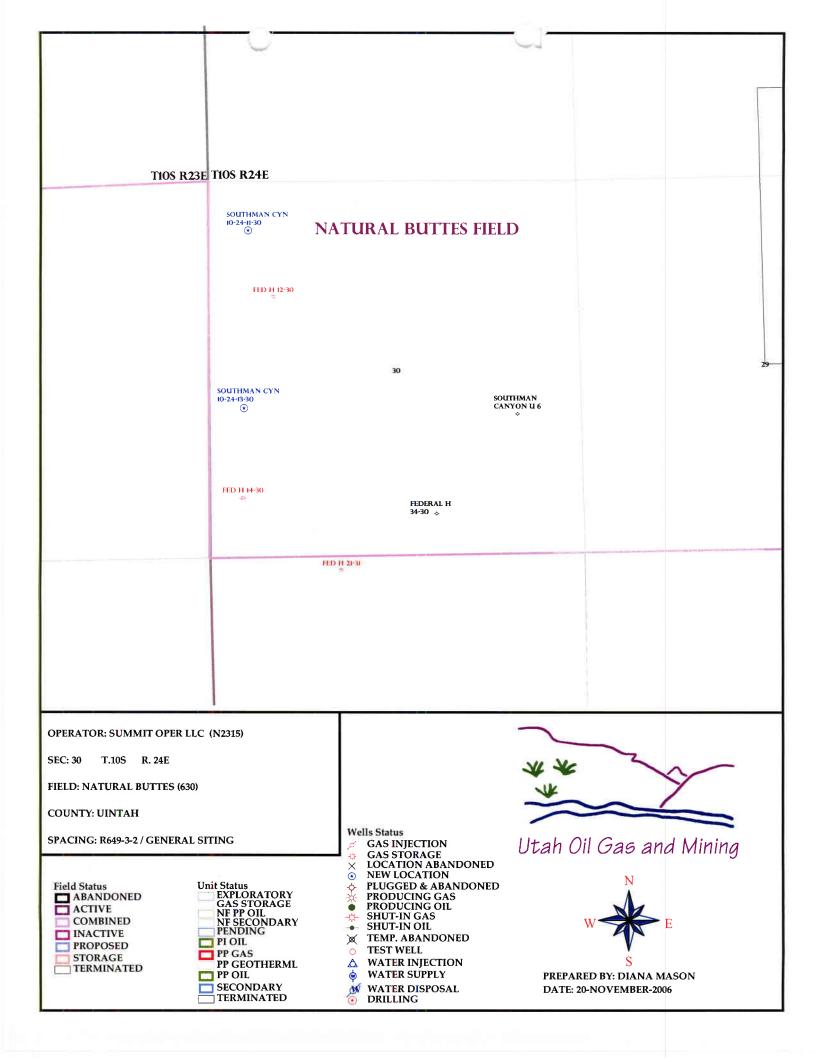






WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/31/2006	API NO. ASSIGNED: 43-047-33263
WELL NAME: FEDERAL H 34-30 OPERATOR: SUMMIT OPERATING LLC (N2315) CONTACT: GINGER STRINGHAM	PHONE NUMBER: 435-940-9001
PROPOSED LOCATION:	INSPECT LOCATN BY: / /
SWSE 30 100S 240E	Tech Review Initials Date
SURFACE: 0592 FSL 2088 FEL	Engineering
BOTTOM: 0592 FSL 2088 FEL COUNTY: UINTAH	
LATITUDE: 39.91431 LONGITUDE: -109.2540	Geology
UTM SURF EASTINGS: 649237 NORTHINGS: 4419496 FIELD NAME: NATURAL BUTTES (630)	Surface
LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-66421 SURFACE OWNER: 1 - Federal	PROPOSED FORMATION: MNCS COALBED METHANE WELL? NO
RECEIVED AND/OR REVIEWED:	OCATION AND SITING:
	R649-2-3. Unit: R649-3-2. General Siting: 460 From Qtr/Qtr & 920' Between Wells R649-3-3. Exception Drilling Unit Board Cause No: Eff Date: Siting: R649-3-11. Directional Drill
STIPULATIONS: 1- Coder Capprox 2 Spacing Stip	





State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

November 21, 2006

Summit Operating LLC P.O. Box 683909 Park City, UT 84068

Re:

Federal H 34-30 Well (Reenter), 592' FSL, 2088' FEL, SW SE, Sec. 30,

T. 10 South, R. 24 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33263.

Sincerely,

Gil Hunt

Associate Director

Hille

mf

Enclosures

cc:

Uintah County Assessor (via e-mail)

Bureau of Land Management, Vernal District Office

Operator:	Summit Operating LLC				
Well Name & Number	Federal H 34-30				
API Number:	43-047-33263				
Lease:	UTU-66421				
Location: SW SE	Sec. 30	T. <u>10 South</u>	R. 24 East		

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

OIL & GAS INFORMATION SYSTEM				X	
FILE EDIT OIL GAS GAS PLANT REPORTS	S DB <u>M</u> AINTENANCE OP <u>T</u> IONS <u>H</u> ELP DA	TA <u>C</u> ONVERSION <u>G</u> EO LOGS <u>D</u> ATA	BASE QUERY		
Mell Data					
WELL SEARCH	WELL DATA	WELL HISTORY	WELL ACTIVITY	N	
API NUMBER 4304733263 TYPE OF V	NORK REENTER UNIT NAME	▼ LEASE NUI	MBER UTU-66421 TYPE 1 ▼	<u>P</u> V1	
	PROPOSED DEPTH - APD 31 2006 PRODUCING ZONE - APD 21 2006 COMMINGLING APPROVED	7100	SPUD DATES DRY ROTARY	<u>D</u> V2	
APD EXTENSION DATE AUTH CODE R649 PROPOSED WELL TYPE GW	PLANNED START DATE 9.3-2 WATER PERMIT APD CONTACT	12 1 2006 T-75872 GINGER STRINGHAM	SUNDRY REPORT INTENT RECEIVED WORK COMPLETED	X	
LOCATION ZONE - APD 0592	CONTACT PHONE FSL 2088 FEL NEEDS RDCC REVIEW RDCC REVIEW DONE	435-940-9001	WORK CANCELED 2 3 2015		
WELL COMPLETION & SUBSEQUENT	T SUNDRY DATA LOGS RUN	_			
REPORT RECEIVED	PRODUCING ZONE	DATE FIRST PRODUCED	COMMINGLED □		
LOCATION AT TD	MULT. ZONES COMPL.	TEST DATE	CHOKE		
DIRECT. HORIZ.	DIR SURV. CORED DST	OIL - 24HR TEST	TUBING PRES.		
LATERALS COMPL.	COMPLETION METHOD	▼ GAS - 24HR TEST	CASING PRES.		
COMPLETION DATE	WELL STATUS C	WATER - 24HR TEST	API GRAVITY 00.00		
TD - MD TVD	WELL TYPE GW	TEST METHOD	▼ BTU - GAS		
PBTD MD TVD	PERFORATIONS		GAS-OIL RATIO		
COMMETTS APD to reenter rescinded (cancelled). Nothing in well file to show when. Permit was not entered into database for some reason, until today 2/3/2015.					
Get History Create New Rec	<u>Save</u> <u>Cancel Change</u>	Next Rec Prev Rec	Print Recd Export Recd		
Whistorycursor Record: 3/3	Exclusive		NUM		